MIDDLE EAST

No. 60.

(CONFIDENTIAL)

C.O.
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PALESTINE AND TRANS-JORDAN

ESTIMATES AND FINANCES 1936-37

CORRESPONDENCE

CLOSED
UNTIL
1968

(IN CONTINUATION OF MIDDLE EAST NO. 55;
CONTINUED BY MIDDLE EAST NO. 61.)

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Printed for the use of the Colonial Office

MIDDLE EAST
NO. 60

CO 935/17

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ESTIMATES AND FINANCES, 1936 - 1937

Correspondence

(In continuation of Middle East No.55)

(Continued by Middle East No. 61)

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PALESTINE

Working Copy

75405/36 [No. 5]. No. 1 PROOF.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 6th April, 1936.)

(Confidential "C.") [*Answered by No.* 4 .]

~~(No. F/90/35.) (Confidential.)~~

SIR, Jerusalem, 25th March, 1936.

I have the honour to refer to the draft Estimates of Revenue and Expenditure of the Palestine Government for the financial year 1936-37 of which copies were forwarded to your Department under cover of the Chief Secretary's note No. F/90/35 dated the 4th March, 1936*, and to transmit herewith copies of—

(1) a memorandum† by the Treasurer upon the draft estimates of revenue, and

(2) a memorandum† explaining in detail the more important items of expenditure under the various Heads.

2. The submission of these memoranda has been delayed for two reasons. In the first place, considerable printing difficulties have been experienced owing to the fact that the new Government Press had not been long enough established to undertake the printing of either the Estimates themselves or the memoranda, which had therefore, as in previous years, to be given to private presses. The task proved to be beyond the capacity of the press first entrusted with the production of the memoranda and it had to be taken away in the middle and given to another contractor. The Government Press will undertake the work in future and these difficulties should disappear.

A further cause of delay was the change in the revenue position and prospects after the first estimates of revenue and expenditure for 1936-37 had been prepared: this is fully explained in the Treasurer's memorandum in which he reviews the effect on the revenues of external factors, as a result of which a re-survey of the position for the remainder of the current year and for the financial year 1936-37 became imperative. The need of this survey was first indicated by a fall in the revenues for December, but it was considered advisable to await the returns for January and the approximate returns for February before attempting to weigh up the situation. These returns showed that revenues had again suffered, and it became necessary therefore to re-frame the revised estimates of revenue for 1935-36 and the estimates for 1936-37 as contained in the printed draft. These matters are fully covered in paragraphs 6 to 16 inclusive of the Treasurer's memorandum. In paragraph 7 he shows the heads of revenue involved, while in the appendix he shows the items affected under each head. It will be seen that in comparison with the printed Estimates the revised Estimates show a drop of £P.410,100 in the revenue for 1935-36 and a drop of £P.517,950 in 1936-37.

3. The abstracts of revenue and expenditure as printed show that when the estimates were first prepared the revised estimated revenue for 1935-36 was £P.6,149,120 as compared with an original estimate of £P.5,436,087. The revenue estimate has now been reduced on revision by a sum of £P.410,000 to £P.5,739,020. The revised estimated expenditure in 1935-36 is £P.4,220,000 as compared with an original estimate of £P.4,863,077. The earlier estimate gave an excess of revenue over expenditure amounting to £P.1,929,120, while the revised estimate gives an excess of £P.1,519,020.

4. The first revised estimate of the surplus balances at the 31st March, 1936, was £P.6,662,675, but this has been reduced by the later revision to £P.6,252,575. The position at the 31st March, 1936, as now estimated is as under:—

	£P.	£P.
Actual surplus balances at 1st April, 1935		4,733,555
Revised estimated revenue for 1935-36	5,739,020	
Less revised estimated expenditure, 1935-36 ...	4,220,000	
		1,519,020
Revised estimated surplus at 31st March, 1936 ...		£P.6,252,575

* No. 75405/36 [No. 2]. not printed † Not printed.

Palestine Estimates—(C.21541/74). 12.

5. The revision of the revenue estimates for 1936–37 results in a reduction of £P.517,950 on the figures contained in the printed copy. The estimate of revenue there shown is £P.6,063,887, while the estimate of expenditure is £P.6,210,447, with a resultant deficit on the year's working of £P.146,560. The reductions shown under revenue in paragraph 7 of the Treasurer's memorandum reduces the estimate of revenue to £P.5,545,937 and results in a deficit for the year of £P.664,510. It will be noted, however, that revenue is still in excess by £P.1,592,145 of the figure of recurrent and special expenditure and that the unusually heavy programme of extraordinary expenditure, for which provision in the sum of £P.2,256,655 is made, is responsible for turning this surplus into a deficit. On the assumption that a normal programme of extraordinary and special expenditure is in the neighbourhood of £P.500,000, the provision made in the draft estimates for 1936–37 for ordinary expenditure is not excessive.

6. The estimated surplus balances at the 31st March, 1937, as shown in the printed estimates were £P.6,516,115, but with anticipated revenue short-falls of £P.410,100 in 1935–36 and £P.517,950 in 1936–37 the estimated surplus balances at the 31st March, 1937, have been reduced to £P.5,588,065, as under:—

	£P.	£P.
Estimated surplus balance at 1st April, 1936 ...		6,252,575
Revised estimated revenue, 1936–37	5,545,937	
Less estimated expenditure, 1936–37	6,210,447	
		664,510
Estimated surplus balance at 31st March, 1937 ...		£P.5,588,065

7. In view of the change in the financial outlook, I concur in the recommendation made in paragraph 25 of the Treasurer's memorandum that certain projects contained in the draft Estimates together with expenditure on certain commitments against surplus balances should be deferred until the revenue situation is restored. Paragraph 22 of the memorandum shows that the total cost of these commitments (including a sum of £P.3,000,000 for the Reserve Fund) is £P.7,184,000. This sum exceeds the estimated surplus balances at the 31st March, 1937, by approximately £P.1,600,000, and leaves no margin for any possible further fall in the estimated revenue for 1936–37 or for unforeseen expenditure in that year.

8. I think you will agree that in the circumstances now prevailing it would be imprudent to contemplate proceeding with the execution of the whole of these works without the foreknowledge of funds to carry them through to completion. It will also be observed that the list of commitments takes no account of the works included in the proposed loan schedule. If the loan is not raised, the amount by which surplus balances will fall short of commitments amounts to approximately £P.3,600,000, and in the circumstances I recommend that, until the earlier financial situation is restored, prospective commitments should be reserved to the extent of £P.1,770,000 in respect of the following works:—

Head.	*Item.*		*Reduction in provision in draft Estimates–1936–1937*	*Reduction in provision in subsequent years in respect of which surplus balances are earmarked.*	*Total Reductions.*
			£P.	£P.	£P.
XXVIII	156	(1) Administration Offices and Law Courts, Jaffa. (Purchase of land to be made but construction deferred)	1,000	49,000	50,000
XXVIII	155	(2) Government Hospital, Haifa. (Scheme to be reduced from £P.170,000 to £P.100,000)	—	70,000	70,000
XXVIII	54	(3) Isolation Hospital, Jaffa ...	34,000	8,000	42,000
XXVIII	139	(4) Haifa Harbour Offices ...	20,000	65,000	85,000
		Carried forward ...	£P.55,000	192,000	247,000

Head.	*Item.*		*Reduction in provision in draft Estimates 1936–1937*	*Reduction in provision in subsequent years in respect of which surplus balances are earmarked.*	*Total Reductions.*
			£P.	£P.	£P.
		Brought forward ...	55,000	192,000	247,000
XXVIII	124	(5) Completion of Haifa–Jaffa Road	—	183,000	183,000
		(6) Law Courts. (Excluding extension at Haifa) ...	—	26,000	26,000
		(7) Women's Training College	—	30,000	30,000
		(8) Central Prison, Jerusalem	—	138,000	138,000
		(9) Married Quarters, Haifa. (Token)	—	154,000	154,000
		(10) Haifa Harbour Extension. (To provide only for cargo jetty and liner berth) ...	—	627,000	627,000
		(11) Six third-class passenger coaches at £P.3,500 each	—	21,000	21,000
XXVIII	52	(12) Construction of Maternity Block, Government Hospital, Jaffa	10,500	—	10,500
XXVIII	158	(13) Construction of Urban Police Married Quarters. (Reduction from £P.80,000 to £P.40,000)	40,000	—	40,000
XXVIII	82	(14) Construction of Standard Police Posts. (Reduced from £P.37,362 to £P.25,362)	12,000	—	12,000
XXVIII	83	(15) Construction of Urban Police Stations. (Reduced from £P.40,500 to £P.20,500)	20,000	—	20,000
XXVIII	95	(16) Construction of residence for Chief Secretary. (Includes £P.2,500 not expended in 1935–36)	8,000	—	8,000
XXVII	16	(17) Trunk Cables, Jaffa–Jerusalem–Haifa	120,000	—	120,000
XXVIII and Railway, Abstract F, 46.	141	(18) Acquisition of land for Government purposes near Railway Station, Jerusalem. (£P.72,000, *less* part required for Public Works Department — £P.13,000)	59,000	—	59,000
Railway, Abstract F, 16.		(19) Extension of Standard Gauge Line from Jaffa Station to the Port ...	40,000	—	40,000
,,	19.	(20) Three new travelling Post Offices	12,000	—	12,000
,,	18.	(21) New Store at Mechanical Workshops	16,930	—	16,930
,,	47.	(22) Minor new Railway Works. (Total £P.10,000) ...	5,000	—	5,000
			£P.398,430	1,371,000	1,769,430

I attach a list of the items totalling £P.5,813,000 in respect of which the surplus balance is now earmarked.

9. If expenditure on the works shown in paragraph 8 is deferred the estimated position would be as under:—

	£P.	£P.
Estimated surplus balances at 31st March, 1937. (Approximately)		5,589,000
Add reservation of provision in draft Estimates for 1936-37. (Approximately)		400,000
Revised estimate of surplus balances at 31st March, 1937		5,989,000
Total commitments against surplus balances (approximately), including £P.3,000,000 for Reserve Fund	7,184,000	
Less reservations in respect of works and services for which the surplus balances after the 31st March are earmarked	1,371,000	5,813,000
Surplus		£P.176,000

10. The commitments against surplus balances include a sum of £P.3,000,000 for the Reserve Fund, but if the Loan is not raised it will not be possible to put aside more than £P.1,000,000 in 1936-37. In view of the purposes for which the Reserve is intended, I am unable to recommend this course, and I trust you will agree that the earlier objections to the raising of the Loan, which were based on the assumption that the revenues of Palestine would enable the necessary funds for capital works to be found without recourse to borrowing, have lost all weight. I would also invite your attention to the Treasurer's statement in paragraph 29 of his memorandum in which he refers to the frequency with which fresh capital requirements present themselves to Government. The list of known commitments is already formidable, but it may safely be assumed that it is by no means complete if regard is had to the fact that the forecast of the financial situation covers the next thirteen months and that any circumstances in which no fresh capital works present themselves within that space of time would be unprecedented. Consequently I am constrained to ask that further consideration may be given to the floating of the Loan.

In anticipation of the approval of His Majesty's Treasury to the issue of the Loan, provision has been made in the draft Estimates for the payment of one-half of a year's interest on a loan of £P.2,000,000 and for some return from the investment of the proceeds of the Loan which are unexpended or used in repayment of advances already made from surplus balances. These matters are dealt with in paragraph 16 of the Treasurer's memorandum.

11. It will be observed from paragraph 18 of the Treasurer's memorandum that he now estimates the basic revenues of the country at £P.4,250,000 which is an increase of £P.500,000 over his estimate of basic revenue a year ago. He founds his revised estimate mainly on the number of immigrants who have entered the country during the past year and on the assumption that immigration will continue during 1936-37. Although I do not anticipate that the number of immigrants who will enter the country in 1936-37 will be as large as the number who entered in 1935-36, I think that the Treasurer's estimate is reasonable having regard to the increase in the taxable capacity of the country by reason of the number and quality of immigrants now gaining admission, while it is important to note that the citrus industry continues to expand. The estimated exports in 1936-37 are eleven million cases as compared with an estimate of eight million cases in 1935-36, and continued expansion is anticipated in future years. In addition, regard must be had to the development of trade and industry to which reference is made by the Treasurer in paragraph 4 of his memorandum. For these reasons I share the Treasurer's opinion that it would require a setback of considerable magnitude to reduce the revenue to £P.4,250,000. Such a setback would entail a further drop of £P.1,296,000 below the revised estimate of revenue for 1936-37, which already reflects the loss resulting from the depressed conditions prevailing during the last four months of 1935-36 and the continuance of these conditions for the next few months. Were a setback of this order experienced, however, it would be necessary and, I think, possible to reduce recurrent expenditure by some £P.200,000, in order to provide without serious detriment to the public services for a normal programme of extraordinary and special expenditure and to meet expenditure on retained extraordinary works in

respect of which the surplus balance is earmarked, as there would be automatic reductions in expenditure, especially on Customs and Posts and Telegraphs services, which should provide the requisite savings.

12. The following is an analysis of the Estimates of Expenditure for 1936-37 as compared with those for 1935-36:—

	1935-36. £P.	*1936-37.* £P.	*Increase.* £P.
Recurrent. (Excluding Railways) ...	3,283,935	3,666,880	382,945
Special. (Excluding Railways) ...	193,077	332,601	139,524
Extraordinary. (Excluding Railways)	1,166,702	1,825,161	658,459
Recurrent, Railways	757,127	862,811	105,684
Railways, Capital Works	236,236	431,494	195,258
	£P.5,637,077	7,118,947	1,481,870

The provision in the draft Estimates of Expenditure for 1936-37 as compared with that in the approved Estimates for 1935-36 is summarized as follows:—

	Approved Estimates. 1935-36. £P.	*Draft Estimates. 1936-37.* £P.
(*a*) Net deficit in self-balancing Departments: Posts and Telegraphs. (Excluding works services and Railways)	316,424	575,879
(*b*) Debt charges	187,058	157,058
(*c*) Defence and Police and Prisons. (After deducting grant in respect of the Trans-Jordan Frontier Force)	775,650	859,103
(*d*) Administration, Legal, Justice, Customs, Pensions and Miscellaneous	1,106,167	1,288,743
(*e*) Health, Education, Agriculture and Forests ...	644,520	770,809
(*f*) Public Works	1,336,840	1,926,155
	£P.4,366,477	5,577,747

Under (*a*), Railway capital works, together with Posts and Telegraphs extraordinary works, amount to £P.729,509 in 1936-37 (£P.377,592 in 1935-36), and it will therefore be seen that if ordinary expenditure only is taken into account—which includes Railway debt charges and contributions to the Railway and Posts and Telegraphs renewals funds—the self-balancing departments are estimated to show a profit in 1936-37 of £P.153,630. The corresponding figure in 1935-36 was £P.61,350. The Railway expenditure reflects certain of the recommendations of Messrs. Price, Waterhouse and Company and Mr. Jenkin Jones, who have recently investigated its organization and working, and the various improvements in the conditions of service of certain personnel, which were conceded during 1935-36, have also entailed additional cost.

As regards the Post Office, provision has been made for a full year's operation of the broadcasting service.

(*b*) Debt charges in 1935-36 were calculated on the assumption that the £P.2,000,000 loan would be floated and that a full year's interest thereon would be payable during the financial year. Actually, of course, the loan was not raised owing to circumstances of which you are aware, but it has been assumed that it will be issued early in 1936-37, thus rendering this Government liable for six months' interest only during the financial year, and £P.30,000 has been provided on this behalf as against twelve months' provision of £P.60,000 in 1935-36. This explains the reduction of £P.30,000 under Head II.

(*c*) There are comparatively small increases in the votes for Defence (£P.4,500), Trans-Jordan Frontier Force (£P.2,142), and Prison services (£P.2,514); there is a decrease under Trans-Jordan Frontier Force Extraordinary of £P.2,429. The balance, namely £P.75,726, of the large increase under this classification is almost entirely attributable to the substantial reinforcement of the Police Force, which is necessary in the interest of maintaining public security in the territory and has already received your approval.

(*d*) Every Head shows an increase of greater or less magnitude and is discussed in detail in the printed memorandum enclosed. It is neither convenient nor I think necessary to attempt, even briefly, to traverse the arguments again in this despatch, but attention is directed to the following salient features:—

(i) *Head IV, Secretariat.*—The increase is £P.13,611 of which £P.11,893 is in Civil Aviation and is due to the anticipated opening for traffic of the air ports at Lydda and Haifa during the financial year. In 1935-36 this sub-department was organized on a skeleton basis only.

(ii) *Head V, District Administration,* will cost £P.15,432 more in 1936-37 than in 1935-36, most of which is to be found in the increased provision for Tax Collectors, most of which has been already approved, and for transport and travelling.

(iii) *Head VI, Legal.*—Of the aggregate increase of £P.5,523, the newly-established office of the Town Planning Adviser, which will be under the supervision of the Attorney-General and has therefore been included in this Head, will absorb £P.3,830.

(iv) *Head VII, Judicial,* has gone up by £P.17,146, as the work of the courts is seriously in arrears and additional staff is most urgently necessary to cope with it.

(v) The Increase of £P.25,669 in *Head X, Customs,* is for the most part the natural corollary of the growing trade and economic expansion of the country.

It will be noticed that in this Department, and also in the Departments of Health, Agriculture and Public Works, provision has been made for the creation of a new post of Accountant and Establishment Officer in Grade H. It has for some time been apparent that appointments of this nature are desirable in these four major departments in the interests of efficiency and in order to relieve the senior administrative and technical staff of the unduly heavy burden of routine in matters pertaining to accounts and personnel which at present they are called upon to bear; and it has been suggested that the departments named should eventually be organized on a self-accounting basis for which a staff having had time to accustom itself to local conditions will eventually be required. In the light however of the present financial situation as explained elsewhere in this despatch, I am not convinced that the appointments in question, save in the Public Works Department, cannot be dispensed with for another year at least and, while leaving them in the draft Estimates for the time being, I propose to give the matter further consideration before asking for the posts to be filled.

(vi) Of the increase of £P.6,797 in *Head XV, Antiquities,* £P.1,350 is for certain works of conservation at the Citadel, Jerusalem, and for clearing the tunnels below the Ecco Homo arch; £P.3,229 is special expenditure, mainly on show cases for the museum and a contribution of £P.500, reviewable annually towards the archæological survey of Palestine.

(vii) Increases in *Head XVI, Lands and Surveys, Head XVII, Development, and Head XIX, Migration,* are the normal result of the growing population and economic activity of the country.

(viii) *Head XXVI, Miscellaneous,* would show a reduction, instead of an increase of £P.45,000 odd, if it were not for one item of £P.100,000 in Special Expenditure to provide for open spaces in the four principal towns which was approved by your predecessor.

(*e*) (i) The increase in what may be called the social service departments are made up as follows:—

	£P.
Health	31,769
Education	57,181
Agriculture and Fisheries	28,791
Forests	8,548
	£P.126,289

(ii) With the exception of a few modest projects under Health, which are fully explained in the relevant section of the expenditure Memorandum, new schemes have been avoided as far as possible and attention has been concentrated on consolidating existing services with such expansion and improvements as are judged to be absolutely indispensable. Even now the supply of educational and health facilities falls far short of the public demand, but with due regard to all the other claims upon available resources an allotment of more than three-quarters of a million pounds for the ordinary expenditure (excluding extraordinary public works) of these four Departments appears to be a reasonable proportion, about 19 per cent, of the total ordinary expenditure of Government, amounting in round figures to £P.4,000,000.

(iii) With respect to Agriculture it may be noted that the largest single item of increase, namely £P.13,000 for the Citrus Advertising Fund, occurs in a self-balancing service.

(iv) For the first time, Forestry has been separated from Agriculture and appears as a new Head of the Estimates.

(*f*) (i) The increase of about £P.36,000 in the cost of the Public Works Department is in part the result of the reorganization scheme which was approved by your predecessor last August, but is mainly due to the need for more subordinate personnel for the architectural branch to deal with works in the authorized building programme. It may be, however, that the recommendations of Mr. D. G. Harris, Irrigation Adviser, who has had, as you know, wide experience of public works in India and at present is conducting an informal inquiry into the organization of the Department, may entail some modification of the proposals reflected in the draft Estimates.

(ii) Public Works Recurrent has increased by about £P.49,000, of which £P.22,500 is required for the maintenance of more roads and the intensified maintenance of existing roads to withstand the greater volume of traffic.

(iii) The Public Works Extraordinary Estimates contemplate a very large programme of works costing about one and a half million pounds of which about £P.300,000 is represented by revotes of unexpended provision from the 1935-36 Estimates and £P.46,000 will be recoverable from municipalities, private bodies, etc., by way of contributions towards the construction of roads. In paragraph 8 of this despatch I have recommended that expenditure on extraordinary public works aggregating £P.168,500 in 1936-37 should be "reserved" pending financial prospects more favourable than those visible at present.

13. I wish to express my appreciation of the services which have been rendered by the Treasurer and his Deputy and by Mr. Shaw, Assistant Secretary, in the preparation of the draft Estimates and the explanatory memoranda. The work was of unusual complexity and magnitude on this occasion and they were obliged to devote a great deal of time and energy to it outside official hours. In the result, the draft Estimates have, I think, been presented with lucidity and completeness and I trust that you will find your examination of them facilitated.

14. I shall be grateful if I may receive your approval of the draft Estimates as soon as possible.

I have, &c.,

A. G. WAUCHOPE,

High Commissioner for Palestine.

Enclosure IIIA in No. .

STATEMENT SHOWING COMMITMENTS AGAINST SURPLUS BALANCES AFTER THE 31ST MARCH, 1937, ITEMS RECOMMENDED FOR RESERVATION, AND REVISED COMMITMENTS AGAINST SURPLUS BALANCES (*see paragraph 8 of Estimates Despatch*).

	Total Commitment.	*Reservations Recommended.*	*Revised Commitment.*
	£P.	£P.	£P.
1. Reserve Fund	3,000,000	—	3,000,000
2. Treasury Working Balance	500,000	—	500,000
3. Ottoman Regie des Tabacs and Ottoman Public Debt	150,000	—	150,000
Total of Items 1 to 3	3,650,000	—	3,650,000
4. Completion of works for which part provision is made in draft Estimates for 1936–37 :—			
District Administration and Law Courts, Jaffa	49,000	49,000	—
Mental Hospital, Bethlehem	26,000	—	26,000
Government Hospital, Haifa	127,000	70,000	57,000
Police Training School, Jerusalem	19,000	—	19,000
Government Offices, Jerusalem	147,000	—	147,000
Post Office, Haifa	23,000	—	23,000
Isolation Hospital, Jaffa	8,000	8,000	—
Haifa Harbour Offices	65,000	65,000	—
Completion Haifa-Jaffa Road	183,000	183,000	—
Air Ports	94,000	—	94,000
Haifa Trunk and Automatic Exchange	58,000	—	58,000
Diversion Underground Ducts and Cables to site of New Exchange, Haifa	5,000	—	5,000
Total Item 4	804,000	375,000	429,000
5. Other Works in Approved Building Programme :—			
Law Courts (Other Towns)	26,000	26,000	—
Women's Training College	30,000	30,000	—
Government Offices, Haifa	15,000	—	15,000
Central Prison, Jerusalem	138,000	138,000	—
Extension of Law Courts, Haifa	26,000	—	26,000
Total Item 5	235,000	194,000	41,000
6. Married Quarters for Defence Forces	210,000	154,000	56,000
7. Haifa Harbour Extension Scheme	900,000	627,000	273,000
8. Huleh Irrigation	150,000	—	150,000
9. Arrears of Railway Renewals in accordance with Price, Waterhouse Report	550,000	—	550,000
10. Balance of Railway Improvements recommended by Sir Felix Pole and Mr. Jenkin Jones	175,000	21,000	154,000
11. Write-off of Irrecoverable Agricultural Loans	110,000	—	110,000
12. Reserve to meet excesses in cost of certain Loan Works	100,000	—	100,000
13. Reserve to meet probable excesses in cost of works provided in the Estimates for 1936–37	150,000	—	150,000
14. Reserve to meet excess expenditure over revenue in likelihood of fall in revenue to £P.4,250,000 until automatic reduction in expenditure is realised	150,000	—	150,000
Total of Items 6 to 14	2,495,000	802,000	1,693,000
Total £P.	7,184,000	1,371,000	5,813,000

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75405/36 [No. 6A]. No. 2 PROOF.

Working Copy N.S.

PALESTINE ESTIMATES, 1936-37.

COLONIAL OFFICE MEMORANDUM.

Expenditure.

Head VI.—Legal Department.

Item 1, Attorney General, £1,400.—An increase of £100 in the salary of the post of Attorney-General has recently been approved (see Treasury letter No. E. 16196/2 of the 11th March, 1936*). This increase is not reflected in the Estimates.

Head VII.—Judicial Department.

Items 5, 9, 13 and 16.—Provision is made for the following new posts:—

1 post of Second Puisne Judge
1 post of Relieving President, District Court
1 post of Chief Magistrate
3 posts of Judges, District Courts.

The new posts of second Puisne Judge and Chief Magistrate have been approved (see Treasury letters No. E.16196/2 of the 21st November, 1935† and No. E.16196/2 of the 9th April, 1936‡), and it is explained in the Memorandum on Expenditure (paragraphs 119 and 121) that the additional post of Relieving President, District Court is a temporary requirement in order to dispose of arrears of work. It is not proposed to fill the three new posts of Judges, District Courts, but three magistrates will be permitted to act in these posts until arrears of Land Court cases have been disposed of. The question of creating three permanent posts will then be reviewed.

It will be observed that the third post of Puisne Judge (British), referred to in Colonial Office letter No. 75125/36 of the 7th April, 1936§, has not been included. This additional post is required in view of the desirability of reconstituting the Court of Appeal in civil matters, and if it is approved, it will be necessary to add provision as follows:—

	£
1 post of (third) Puisne Judge at £1,200 per annum	1,200
Expatriation Allowance at £200 per annum	200
	£1,400

Head VIII.—Treasury.

Item 12, Secretary to Standing Committee for Commerce and Industry, £600.—This new post appears in the Treasury Head of the Estimates since the Treasurer is the Chairman of the Standing Committee for Commerce and Industry. Proposals for the creation of a new Department under a Commissioner for Trade have been made since the Estimates were framed (see Treasury letter No. E.33256 of the 22nd April, 1936‖). It is contemplated in those proposals that the post of Secretary to the Standing Committee should be included in the new Department. It will be necessary to add provision of £1,790 to the draft Estimates as follows:—

	£
Commissioner for Trade and Irrigation (i.e., £1,496 less present salary £1,100)	396
Secretary to the Standing Committee for Commerce and Industry	600
1 Clerk, Grade N	198
1 Stenographer	72
1 Messenger	24
Other Charges	500
	£1,790

Head X.—Customs, Excise and Trade.

Items 34–40, net increase of 41 posts of Officers of Customs and Excise.—It is explained in the Memorandum on Expenditure (paragraph 185) that should customs revenue decline, it will be possible to dispense with many of these new appointments, and that a substantial saving could be effected in the event of a serious reduction in revenue.

* No. 75468/36 [No. 4]. not printed † No. 75179/35 [No. 8]. not printed ‡ No. 75179/1/36 [No. 3]. not printed
§ No. 75125/36 [No. 5]. not printed ‖ No. 75201/36 [No. 7]. not printed

Head XI.—Department of Health.

The new schemes for which provision is made under this Head are:—

	£
(*a*) appointment of an Inspector of Factories, Trades and Industries	960
(*b*) Administration of the municipal hospital at Jaffa ...	2,315
(*c*) Isolation hospital, Jerusalem	2,034
(*d*) General Hospital, Ramle	757

(*a*) The need for this appointment, which is proposed as a first step towards the reform and reorganization of the arrangements made for the supervision of conditions of labour in Palestine, has been more fully explained by the High Commissioner in a separate despatch, which is at present under consideration in consultation with the Home Office, particularly as to the suitability of the terms offered.

(*b*) Copies of despatches from the High Commissioner explaining this proposal were sent to the Treasury in Colonial Office letter 75490/36 of the 20th May*.

(*d*) This provision is made on the assumption that a new hospital at Ramle will be available for occupation by the 1st October, 1936. No expenditure is to be incurred on the proposed construction of the hospital pending approval, which is to be sought in a separate despatch.

Provision is also made under this Head for the expansion of existing activities as follows:—

	£
(*a*) Extension of hospitals at Haifa and Safad	2,031
(*b*) Village school medical services (new appointments of 3 Medical Officers and 3 Nurses)	1,530
(*c*) Village medical and ophthalmic services (new appointments of 1 Medical Officer and 10 Tamargis)	1,989
(*d*) Infant welfare (new appointments of 1 Superintendent of Midwives, 1 Nurse and 10 Midwife-nurses)	1,804
(*e*) Laboratory Service (new appointments of 1 clerk, 1 Assistant Bacteriologist, 1 Laboratory Assistant and 3 Laboratory Attendants)	1,963

In addition to the four new posts of Medical Officer included in the above, a fifth post is required for Tel Aviv.

Reference is made in paragraphs 260 and 272 of the Memorandum on Expenditure to the recovery from the Palestine Electric Corporation of three-quarters of the cost of anti-malarial measures on the shores of Lake Tiberias. The arrangements made between the Palestine Government and the Corporation, regarding the Corporation's liability to pay compensation and to make good damage done, are explained in Colonial Office letter of the 10th December, 1935† (see Treasury letter No. S.40438 of the 13th December, 1935‡). The Palestine Government have at present under consideration a proposal that the Corporation should be asked to make a fixed contribution of approximately £1,000 per annum for the next five years in respect of the cost of anti-malarial measures, instead of a contribution of three-quarters of expenditure for which the present arrangement provides.

In sub-paragraph (*b*) of paragraph 273 of the Memorandum on Expenditure it is stated that the grant of £1,193 to Jewish Health Services on account of Infant Welfare work is based on 26 per cent of £3,735. In fact the sum provided for this grant is approximately 26 per cent of the total estimated cost to the Government of Infant Welfare work, including the grant, it being calculated that the Jewish population is 26 per cent of the total population of the country.

Head XII.—Department of Education.

Comprehensive memoranda have been prepared by the Department of Education regarding the development of rural and urban education in Palestine. Copies of these memoranda were enclosed in Colonial Office letter No. 75005/35 of the 20th November, 1935§ rural education) and Colonial Office letter No. 75488/36 of the 21st March||, 1936 (urban education) respectively.

The increases proposed under this Head amount to £57,181, increases under Personal Emoluments accounting for £33,902. The latter figure includes £15,558 for cost of living allowances, for which provision has been previously made under

* No. 75490/36 [No. 4]. not printed † No. 75190/35 [No. 61]. not printed ‡ No. 75190/35 [No. 62]. not printed
§ No. ~~75005/35 [No. 50]~~. || No. 75488/36 [No. 2]. not printed
11. in Middle East No 55.

Head XXVI, and £11,165 on account of an increase of 128 Education Officers, Grade E 3 (£60 by £6 to £168). Of these new posts 2 represent transfers, 66 are required for urban education, 55 for rural schools and 7 for technical education (paragraph 297 of the Memorandum on Expenditure).

A further increase of £2,190 is provided under Item 52, representing an increase of 40 unclassified teachers for the expansion of rural education. The balance of the increase under Personal Emoluments is largely due to the fact that twelve months' provision is now required for some posts which required not more than seven months' provision in 1935–36.

It is proposed to provide a new service in the form of a School for the Blind at a cost of £1,247 per annum in 1936–37 and £2,427 in a full year, plus the cost of hire of the premises.

Head XIII.—Department of Agriculture and Fisheries.

The references contained in the Memorandum on Expenditure to the report by the Agricultural Adviser to the Secretary of State relate to the Report by Mr. F. A. Stockdale, C.M.G., C.B.E., on his visit to Palestine and Trans-Jordan in March and April, 1935 (C.A.C. 247).

Head XIV.—Department of Forests.

The proposed expansion of Forestry activities is explained in detail in the enclosure in Colonial Office letter No. 75097/35 of the 28th June, 1935*.

Head XV.—Antiquities Department.

Item 67, Contribution to Archaeological Survey of Palestine, £500.—The High Commissioner recommends that a contribution of £500 should be made from Palestine funds towards the cost of this Survey in 1936–37 on the understanding that the Palestine Exploration Fund and the British School of Archaeology will each contribute a like amount (see Colonial Office letter No. 75139/36 of the 2nd April, 1936†). This expenditure is subject to these two bodies agreeing to bear their share of the cost of the Survey, and the Secretary of State has not been informed that they would be prepared to do so.

Head XVII.—Police and Prisons.

Items 4 and 6, new appointments of 1 District Superintendent and 3 Deputy Superintendents.—It was suggested in Treasury letter No. E.11301/2 of the 2nd January, 1936‡, that the two new posts of District Superintendent which the High Commissioner had proposed (one for traffic control and one for Criminal Investigation Department work) might well be graded as Deputy Superintendent only. As regards the traffic section this suggestion has been adopted but the High Commissioner considers that an officer not below the rank of District Superintendent is essential for the post of Second-in-Command of the Criminal Investigation Department. This officer will be required to relieve the Deputy Inspector General (*c*) in the latter's absence.

Enquiry has recently been made of the High Commissioner as to whether recruitment of further British Constables after the next selection in May should be postponed.

Head XXIII.—Department of Posts and Telegraphs.

Broadcasting.—The Broadcasting service is now in operation.

Head XXIV.—Public Works Department.

It is stated in paragraph 656 of the Memorandum on Expenditure that the Director of Public Works has represented that further staff to the extent of £30,000, for which no provision has been made in the Estimates, will be essential if the programme of extraordinary works totalling nearly £1½ million is to be carried out efficiently and economically. The Secretary of State has no information as to the nature of the proposals made by the Director of Public Works, which are understood to be under consideration by the Palestine Government. The organization of the Public Works Department has recently been the subject of an investigation by Mr. D. G. Harris, C.S.I., C.I.E., Irrigation Adviser to the Government of Palestine.

Head XXVI.—Miscellaneous.

Item, 12, Grants to Municipalities, £118,000.—Advance approval of £100,000 has been given conditionally in Treasury letter No. S.39281 of the 30th April§.

Item 30, Levant Fair, £1,000.—The cost of Government participation in the Levant Fair is now estimated at £1,200, see Colonial Office letter No. 75351/36 of the 14th April, 1936||.

* No. 75097/35 [No. 8]. not printed † No. 75139/36 [No. 4]. not printed ‡ No. 75015/36 [No. 1]. not printed
§ No. 75010/36 [No. 9]. not printed || No. 75351/36 [No. 21]. not printed

Head XXVII.—Posts and Telegraphs Extraordinary.

Item 16, Trunk Cables Jaffa–Jerusalem–Haifa, £120,000.—In paragraph 8 of his Confidential despatch of the 8th March* the High Commissioner asks that this item should be reserved.

The expenditure proposed under this Head is thus reduced to £178,015, of which £104,090 has been approved in advance (see Treasury letter No. S.35956/09/36 of the 28th March, 1936†).

Head XXVIII.—Public Works Extraordinary.

The Estimates provide for the expenditure of £1,507,181 under this Head, but this is now reduced to £1,338,661 by reductions on the following items totalling £168,500:—

		£
Item 52	Construction of Maternity Block, Government Hospital, Jaffa	10,500
,, 54	Construction of Isolation Hospital, Jaffa ...	34,000
,, 82	Construction of Standard Police Posts	12,000
,, 83	Construction of Standard Urban Police Stations	20,000
,, 95	Construction of residence for Chief Secretary	8,000
,, 139	Office accommodation for Government Departments in Haifa Harbour area	20,000
,, 141	Acquisition of land for Government purposes	23,000
,, 156	Construction of District and Magistrates' Courts, Jaffa	1,000
,, 158	Construction of Urban Police Married Quarters	40,000
	Total	£168,500

Of the reduced estimate of £1,338,661 approximately £300,000 is represented by revotes, and contributions from public bodies in respect of road works are estimated to amount to £46,000.

Items 96–137, Roads and Bridges, £327,491.—Details of the proposed programme are given in the enclosures in Colonial Office letter No. 75405/1/36 of the 27th February, 1936‡. Approval has been given of expenditure totalling £155,191 on items of prior and special urgency.

Item 140.—Airports (Lydda and Haifa), £80,000.—It is now understood from the High Commissioner that the revised estimate of the cost of the airports at Lydda and Haifa is £266,710 and not £244,000, as shown in the Estimates. The estimate of £80,000 in respect of expenditure during the year 1936–37 is not affected by this increase, of which £16,000 is required for grading of runways, drainage of the landing areas and construction of the internal road at the Lydda airport.

Item 141, Acquisition of land for Government purposes, £185,500.—The modification proposed in the High Commissioner's Confidential despatch of the 25th March§ include a reduction of £23,000 in this item. It will be observed from paragraph 770 of the Memorandum on Expenditure that the item includes a sum of £51,500 for the purchase of land for projects which appear in the programme of expenditure on buildings but without provision for land in the estimated cost of the works. It is proposed to transfer the cost of purchasing land to the appropriate building items in due course. The balance of £111,000 is required for the purchase of sites for administrative offices and District and Magistrates' Courts at Jaffa (£98,000) and for Public Works Department workshops and stores at Jerusalem Railway Station (£13,000.)

Item 147, Jaffa Port Improvements, £98,055.—See Colonial Office letter No. 75094/36 of the 23rd April, 1936‖.

Item 149, Haifa oil dock and east reclamation area excess cost, £5,350.—Approval of this expenditure has been given in Treasury letter No. S.31061/7 of the 22nd April, 1936¶.

Item 151, Preliminary investigations into possibility of deep-water harbour at Jaffa, £10,000.—The Secretary of State has considered the High Commissioner's despatch** referred to in paragraph 775 of the Memorandum on Expenditure and has informed the High Commissioner to the effect that he would be reluctant to approve of

* No. not printed † No. 75405/1/36 [No. 19]. not printed ‡ No. 75405/1/36 [No. 5]. not
§ No. ~~75405/36 [No. 5]~~. 1. ‖ No. 75094/36 [No. 19]. not printed ¶ No. 75058/3/36 [No. 13]. not
** No. 75094/36 [No. 1]. not printed

this expenditure until the land transport problems connected with the possible development of port facilities at Jaffa have been further examined, and that he proposes to refer the question of harbour development on the coast of Palestine to the Imperial Shipping Committee for their consideration.

Palestine Railway.—Abstract F.

Items 13 and 14, Improvement at Jaffa Station (£35,805) and Construction of new passenger station at Tel Aviv (£31,000).—See Treasury letter No. S.39162 of the 6th June, 1935*. The High Commissioner has reported that he has authorized the General Manager, Palestine Railways, to proceed with the acquisition of the sites required for the following schemes:—

(i) New passenger station at Tel Aviv (for Tel Aviv only); total estimated cost £31,000; estimated cost of land £11,266.

(ii) Improvement and extension of Jaffa station; total estimated cost £35,805; estimated cost of land £21,946.

The High Commissioner proposes that no expenditure on these schemes other than that involved in the acquisition of the sites will be incurred without the Secretary of State's prior approval.

Colonial Office,
April, 1936.

* No. 75109/1/35 [No. 31]. not printed

Working Copy.

75405/36 [No. 6B]. No. 3 PROOF.

PALESTINE DRAFT ESTIMATES, 1936-7.

EXPENDITURE.

List of Provisional Items.

Head IV.—Secretariat.

Item 9; Assistant Secretaries.
Items 111–151; Civil Aviation.

Head VI.—Legal Department.

Item 8; Junior Government Advocate, Registrar of Companies and Official Receiver.
Item 10; Cadet Officers.

Head IX.—Audit Department.

Items 9 and 10; Assistant Auditor and Expatriation Allowance.

Head XI.—Department of Health.

Items 44, 47, 56, 103–107, 154; Administration of proposed new General Hospital, Ramle.
Items 129, 130, 139; Tuberculosis Sanatorium dispensaries, etc.

Head XIII.—Department of Agriculture and Fisheries.

Item 12; Allowance to Secretary of General Agricultural Council and Committee on Agricultural Economics and Marketing.
Item 52; Assistant Fruit Inspectors.

Head XIV.—Department of Lands and Surveys.

Item 11; Settlement Officers.
Items 17–19; Settlement Officer and Allowances.

Head XVII.—Department of Development and Registrar of Co-operative Societies.

Item 9; Irrigation Inspector.

Head XXII.—Defence.

Item 1; Contribution to Imperial Government.

Head XXIII.—Department of Posts and Telegraphs.

Item 115; Renewals Fund.

Head XXIV.—Public Works Department.

Item 33; Assistant Engineers.
Items 46 and 47; Quantity Surveyor and Expatriation Allowance.

Head XXVI.—Miscellaneous.

Item 5; Passages.
Item 33; Grants to Municipalities for open spaces.

Head XXVIII.—Public Works Extraordinary.

Item 60; Tuberculosis Sanatorium.
Item 151; Preliminary investigations into possibility of deep water harbour at Jaffa.
Item 155; Construction of Government Hospital, Haifa.
Items 160 and 162; Construction of Telephone Building and Post Office, etc., at Haifa.

Colonial Office,
April, 1936.

Working Party

75405/36 [No. 7]. No. 4 PROOF.

PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 1.30 p.m., 5th May, 1936.)

TELEGRAM.

[*Answered by ~~No. 75405/36~~ [No. ~~5~~ 5].]

No. 177. Confidential. Your despatch of 25th March confidential "C"*. Before referring draft Estimates to Treasury shall be glad if you will inform me by telegraph whether possible effect of local political situation on financial out-turn for 1936–37 has received consideration in light of recent events and whether you are satisfied that there is no necessity for further reductions of estimated recurrent or extraordinary expenditure.

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* No. ~~75405/36 [No. 5]~~. 1.

Palestine Estimates—(C.28105/91). 12.

Working Copy

75405/36 [No. 10]. No. 5 PROOF.

PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 2.9 p.m., 12th May, 1936.)

TELEGRAM.

~~[Answered by No.]~~

No. 212 confidential. 12th May. Your telegram No. 177* Treasurer anticipates that as result of strike and disturbances revenue will fall short of revised estimates in my despatch of the 25th March confidential C.† by about £P.236,000. Short fall will be greater if present situation is prolonged or if successful campaign of non-payment of taxes is introduced. In order to meet fall of revenue and to increase free surplus balance from £P.176,000 to £P.240,000 I propose at present to make reservations of special and extraordinary expenditure additional to those set out in my despatch quoted above. I hope to be able to send you these proposals within the next month. Nevertheless it may be necessary later to cut recurrent expenditure as well and I have warned heads of Departments accordingly. But I propose to review the situation again in July.

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* No. 75405/36 [No. 7]. 4 † No. ~~75405/36 [No. 6]~~. 1.

Working Copy. P2.

COLONIAL OFFICE

to

TREASURY.

[*Answered by ~~No. 75405/36~~ [No. 8].*]

SIR, Downing Street, S.W.1, 25th May, 1936.

I am directed by Mr. Secretary Thomas to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of the draft Estimates of Palestine for the financial year 1936–37 (Enclosure I)*. Copies of the following documents are also enclosed:—

Enclosures II and III. Printed memoranda on revenue and expenditure (in one volume)*.

Enclosure IV. Covering despatch from the High Commissioner†.

Enclosure V. Colonial Office memorandum on certain items of expenditure‡.

Enclosure VI. List of provisional items of expenditure§, as to which separate explanatory despatches have been promised by the High Commissioner.

Enclosure VII. Telegram from the High Commissioner‖ regarding further reductions in estimates of revenue and expenditure.

References to previous correspondence with the Treasury have been inserted in Enclosure III.

2. The causes of the unfortunate delay in the despatch of the Estimates and memoranda are explained in paragraph 2 of the High Commissioner's despatch. In so far as the delay was due to the shortcomings of private printing works, it is hoped that difficulty will be obviated when the printing of the Estimates and memoranda is taken over by the Government press.

3. Their Lordships will observe that, in view of indications of a fall in revenue in the month of December, the High Commissioner considered it advisable to resurvey the financial position in the light of the revenue returns for January, and the approximate returns for February. As a result of this review, the revised estimate of revenue for the year 1935–36 and the estimate of revenue for the current year, as shown in the printed Estimates, have been reduced by £410,100 and £517,950 respectively; and the estimate of expenditure for the current year, as shown in the printed draft Estimates, has been reduced by £398,430, as shown in paragraph 8 of the covering despatch.

4. In response to an enquiry by the Secretary of State, the High Commissioner has reported in a telegram of which a copy is enclosed (Enclosure VII‖) that, as a result of the recent disturbances and the Arab strike, revenue in the current year is expected to fall short of the estimate given in his confidential despatch of the 25th of March by about £236,000, and that the short-fall will be greater if the present situation is prolonged, or if a successful campaign of non-payment of taxes is introduced. Within the next month the High Commissioner will submit recommendations for further reservations of special and extraordinary expenditure, in order to meet the anticipated fall of revenue, and to increase the free surplus balance from £176,000 to £240,000. Heads of Departments have been warned that it may be necessary to effect reductions also in recurrent expenditure, and the High Commissioner proposes to review the situation again in July.

5. The High Commissioner's covering despatch gives a clear and concise exposition of the financial position and prospects of Palestine, and the Secretary of State has little to add to that despatch or to the comprehensive explanations of the estimates of revenue and expenditure which are contained in the printed memoranda. It will be seen that for the greater part of the year 1935–36 the upward trend of revenue, which has characterized the past few years, was fully maintained, but that, as noted above, the monthly returns of revenue, beginning with the month of December, have shown a tendency to fall (thought to be due to the uncertainty of the international outlook and to the transient banking crisis which developed in Palestine in the autumn of 1935), and that this tendency has been accentuated during the past few weeks, as a result of political unrest.

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* Not reprinted. † No. ~~75405/36 [No. 5]~~. 1. ‡ No. ~~75405/36 [No. 6a]~~. 2.
§ No. ~~75405/36 [No. 6b]~~. 3 ‖ No. ~~75405/36 [No. 10]~~. 5

6. The following table summarizes in comparative form the financial position as presented in the printed draft Estimates and as it appears in the light of the further review of the situation which the High Commissioner has undertaken since the draft Estimates were prepared:—

		Printed Draft Estimates.	*Estimates as now revised by High Commissioner's despatch of 25th March and telegram of 12th May.*
		£	£
Estimated Surplus Balance at 31.3.36.		6,662,675	6,252,575
Estimated Revenue, 1936–37		6,063,887	5,309,937
Estimated Expenditure, 1936–37	£		
Ordinary	3,999,481		
Extraordinary	1,825,161		
Railways	385,805		
		6,210,447	5,472,017
Estimated Deficit on year's working, 1936–37		146,560	162,080
Estimated Surplus Balance at 31.3.37.		6,516,115	6,090,495

Revenue.

7. The revised revenue estimate for the year 1936–37 (£5,309,937) is approximately £430,000 below the latest estimate for the year 1935–36, and £126,000 below the approved estimate of revenue for that year. Receipts from Posts and Telegraphs show an increase of £137,100, but all other heads of revenue taken together show a slight reduction as compared with the approved estimate for the year 1935–36. The only new items in the Revenue Estimates are:—

		£
Head IV.		
Item 1.	Bankruptcy Fees	1,000
Item 20.	Registration of Banks	1,000
Item 21.	Registration of Business Names	100
Item 27.	Receipts—Civil Aviation	1,000
Item 36.	Reimbursements—Municipality of Haifa	575
Item 38.	Contributions for Roads by Settlements, Municipalities etc.	46,000
Head V.		
Item 10.	Sale of Publications (principally sale of broadcasting programmes)	1,000

8. As modified by the High Commissioner's despatch of the 25th of March and his telegram of the 12th of May, the estimates of revenue appear to be reasonably conservative and to be based upon an adequate appreciation of the probable effects of recent developments in the political and economic situation.

9. In paragraph 18 of Enclosure II the Treasurer gives reasons for his opinion that "basic" revenue, which he estimated last year at the figure of £3,750,000, should now be estimated at £4,250,000, in view of the increase of population which took place in 1935. The Secretary of State does not regard this figure, which is £1,059,937 below the revised revenue estimate for the year 1936–37, as unduly optimistic.

Expenditure.

10. The estimated expenditure shown in the printed draft Estimates is £6,210,447 as compared with £4,863,077 in the approved Estimates for the year 1935–36, representing an increase of £1,347,370 as follows:—

	1936–37 Estimate.	*Increase.*
	£	£
Recurrent	3,666,848	382,942
Special	332,633	139,527
Extraordinary	1,825,161	658,459
Railways (Deficit)	385,805	166,442
	6,210,447	1,347,370

11. The proposed increase of £522,469 under recurrent and special expenditure may be compared with the increase of £681,000 for which provision was made in the year 1935–36. The principal increases in recurrent and special expenditure are:—

	£
Pensions	13,800
Secretariat (largely Civil Aviation) ...	13,611
District Administration	15,432
Legal	5,523
Judicial	18,424
Customs, Excise and Trade	25,669
Health	31,769
Education	57,181
Lands and Surveys	13,755
Police and Prisons	78,240
Posts and Telegraphs	73,631
Public Works Department	36,061
Public Works Recurrent	49,025

12. The main features of these increases are explained in paragraph 12 of the High Commissioner's covering despatch, and full details are given in Enclosure III and in the explanatory notes in the printed Estimates. In paragraph 19 of Enclosure II it is shown that the total of recurrent and special expenditure, as shown in the printed Estimates, is well within the compass of the revised estimate of "basic" revenue, and that, should economic conditions deteriorate to the extent that revenue receipts were to drop to £4,250,000, the provision under ordinary heads for special expenditure could be reduced by £133,000 and there would be savings on recurrent expenditure amounting to about £200,000 due to the automatic reduction of services such as Customs, Posts and Telegraphs, and generally in respect of vacancies in establishments. In the circumstances, no reason is seen to question the additional provision which has been made under various heads for consolidation and moderate expansion of social and administrative services. In this connexion, I am to invite reference to the letter from this Department (No. 75405/35) of the 10th of August last*, in which emphasis was laid on the obligation which lies upon the Government of Palestine, within the limits of available revenue and subject to due provision of an adequate reserve for emergencies, to provide such works and services as are required to meet the economic and social needs of the Jewish population, and at the same time to accelerate measures which are still overdue to assist the Arab community, especially in the fields of agriculture, education and public health.

13. The observations which immediately precede apply equally to the programme of extraordinary public works, including railways, proposed for the current year, which has now been reduced from £2,256,655 (£1,825,161 + £431,494 for railways) to £1,558,225, representing an increase of £155,287 over the provision for Extraordinary Expenditure (including Railways) in the Estimates for 1935–36.

Surplus Balances and £2,000,000 Loan.

14. The estimated surplus balance at the 31st of March, 1937, as revised in the light of the High Commissioner's despatch of the 25th of March and his telegram of the 12th of May, is £6,090,495. Of this surplus it is contemplated that a sum of £3,900,000 should be held for the proposed reserve fund, for a working balance, and for a small reserve to meet excesses on estimates for capital works, the remainder being made available for expenditure on the programme of necessary works and services which is set out under items (4) to (11) in paragraph 22 of Enclosure II. It will be seen, from paragraph 9 of the High Commissioner's despatch, that "commitments" against surplus balances, including the reserve fund, amount to a total of £7,184,000, but that, for the reasons explained in paragraphs 7 and 8 of the despatch, the High Commissioner has thought it prudent to reserve prospective commitments to the extent of £1,770,000 until the financial situation is restored, thus reducing the charge against surplus balances. It is clear that unless reliance can be placed on the early issue of the £2,000,000 guaranteed loan, in anticipation of which more than £1½ million will have been advanced from surplus balances by the end of the year 1936–37 (paragraph 25 of Enclosure II), either the amount to be placed in the reserve fund must be reduced to £1,000,000 or the programme of capital expenditure must be entirely suspended at the close of the current year. On the question of the issue of the loan the Secretary of State is in entire agreement with the views of his predecessors, which have been communicated to the Treasury in previous correspondence, and he desires to urge most strongly that this question should no longer remain in suspense.

* No. 75405/35 [No. 41]. Not printed

15. When the question of the issue of the loan was raised in connexion with the Estimates of Palestine for the year 1935–36, their Lordships felt that the revenue position and prospects of the country were so favourable that it might be found possible both to build up an adequate reserve fund and to provide for a programme of necessary capital works without recourse to the loan; and at the same time that any acceleration of the works programme, such as might be facilitated by the issue of the loan, was undesirable. Mr. Malcolm MacDonald endeavoured to satisfy these doubts, and in the letter from this Department of the 10th of August last, to which reference has already been made, attention was drawn to the necessity for a continuous expansion, within the limits of financial prudence, of the programme of works and services *pari passu* with the rapid development for which Jewish immigration is largely responsible. These considerations have lost none of their weight and, at the same time, the recent, though it is to be hoped temporary, decline of revenue leaves the Secretary of State in no doubt as to the urgent necessity for the establishment of a reserve fund of at least £3,000,000, which is less than the estimate of one year's " basic " revenue.

Moreover, should the present unhappy state of affairs be prolonged, the problem of mitigating the unemployment which must inevitably supervene would be rendered almost insoluble if the Government of Palestine were compelled, owing to uncertainty as to the provision of funds, to suspend action on the programme of works in question.

16. Apart from the above considerations, which are mainly of a financial nature, it is desired to stress the importance of the early issue of the loan on political grounds. The capital works and services which the High Commissioner has in view are of long-standing urgency and have been the subject of strong representations from the Jewish or Arab sections of the community. If the High Commissioner were compelled to announce the postponement of the whole or of any considerable proportion of the programme by reason of reluctance on the part of His Majesty's Government to sanction the issue of the £2,000,000 loan, the difficulties of the political situation, which are already serious, would be greatly accentuated and the position of the High Commissioner would be gravely embarrassed. In this connexion, I am to observe that Dr. Weizmann, and other prominent Zionists, have already expressed anxiety regarding the delay which has taken place in issuing the loan and have indicated that failure to proceed with the loan will be regarded by the Jews as a breach of faith on the part of His Majesty's Government.

17. The international aspect is also of importance. The Permanent Mandates Commission have been informed on more than one occasion of the decision of His Majesty's Government to guarantee a loan of £2,000,000 for Palestine and it becomes increasingly difficult for the Accredited Representative of His Majesty's Government at Geneva to explain the delay. Furthermore, as their Lordships are aware, the Act by which Parliament approved the guarantee provides that all the important materials, etc. for the loan works shall be of British manufacture, and in carrying out the scheduled works by means of advances from surplus balances the Government of Palestine has conformed with this provision. In the light of past experience, this procedure involves risk of criticism from foreign Governments; and if the loan is not issued in the near future, it will be extremely difficult to justify the discriminatory procedure which has been adopted.

18. The Secretary of State trusts that he may receive at an early date their Lordships' approval of the estimates of revenue and expenditure for the year 1936–37, as revised by the High Commissioner's despatch of the 25th of March and his telegram of the 12th of May, subject to reservation of such items as will form the subject of further despatches from the High Commissioner, and subject to the additional reservations of special and extraordinary expenditure which the High Commissioner will recommend within the next month.

19. The date of the issue of the £2,000,000 loan must, of course, be determined in the light of the circumstances prevailing both in Palestine and in this country, but it is hoped that the representations contained in this letter will satisfy their Lordships that it is essential that the loan should be made available at the earliest possible date, and that they will agree to the High Commissioner being informed that the loan will be issued at the earliest convenient opportunity after normal conditions in Palestine have been restored.

I am, &c.,

O. G. R. WILLIAMS.

Working Copy

75405/36 [No. 15]. No. 7 PROOF.

PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 25th May, 1936.)

[*Answered by ~~No. 75405/36~~ [No. 13].*]

(No. 507.)

SIR, Jerusalem, 15th May, 1936.

I have the honour to inform you that I have deemed it necessary to take steps, within the provisions of Colonial Regulation No. 254 (i–iv), to furnish the Treasurer with authority to disburse money from public funds pending your approval of the draft Estimates for the current financial year, the enactment of the Appropriation Ordinance and the issue of the General Warrant and the Loan Warrant.

2. I have accordingly authorized the issue of two Provisional Warrants, one in respect of the Personal Emoluments and Other Services of the Government of Palestine, and the other in respect of expenditure on works financed out of Loan Funds.

I enclose a copy of each of these two Provisional Warrants.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Palestine.

Enclosure 1 in No. 7

PROVISIONAL WARRANT, 1936/37.

High Commissioner for Palestine to the Treasurer.

Pending the issue of the General Warrant you are hereby authorized and required to pay, within the limitations shown below, the Personal Emoluments and Other Services of the Government of Palestine as set out in the draft Estimates for 1936–37, in accordance with the law in force in Palestine and standing Financial Regulations of this Government:—

(*a*) No increased scales or rates of emoluments may be paid, save in respect of normal increments, and no new posts may be filled unless already and specifically approved by the Secretary of State as indicated in the remarks column of the draft Estimates.

(*b*) No expenditure may be incurred in respect of any new services under recurrent items of the Estimates or any sub-heads of special expenditure not specifically approved by the Secretary of State.

(*c*) Expenditure in respect of open votes under Personal Emoluments or in respect of sub-heads under Other Charges may not exceed the proportionate provision in the approved Estimates for the financial year 1935–36 as supplemented by the provisions in Special Warrants, approved during 1935–36, which involved commitments during 1936–37 either under the sub-head in respect of which the Special Warrant was issued or other sub-head directly concerned, or in the draft Estimates for 1936–37, whichever is the smaller, unless such excess has been specifically approved by the Secretary of State.

And for so doing, this together with the Accounts, Certificates and Acquittances prescribed in the said Laws and Regulations shall be your sufficient Warrant and Discharge.

By His Excellency's Command,

J. HATHORN HALL,

Chief Secretary.

1st April, 1936.
(F/7/36.)

Enclosure 2 in No. 7

PROVISIONAL WARRANT, 1936/37.

High Commissioner for Palestine to the Treasurer.

Pending the issue of the Loan Warrant you are hereby authorized and required to meet expenditure in respect of works in progress as contained in the schedules to the Palestine Loan Ordinance, 1927, and the Palestine Loan Ordinance, 1934, which works are more particularly set out in Appendices " F " and " G " of the draft Estimates for 1936/37, in accordance with the provisions of the Palestine Loan Ordinances, 1927 and 1934, and the law in force in Palestine, together with the standing Financial Regulations of this Government.

And for so doing, this together with the Accounts, Certificates and Acquittances prescribed in the Laws and Regulations shall be your sufficient Warrant and Discharge.

By His Excellency's Command,

30th April, 1936. J. HATHORN HALL,

(F/7/36.) Chief Secretary.

75405/36 [No. 13]. No. 8 PROOF.

Working Copy.

MR. E. E. BRIDGES (TREASURY)

to

MR. O. G. R. WILLIAMS (COLONIAL OFFICE).

DEAR WILLIAMS, Treasury Chambers, S.W.1, 29th May, 1936.

Palestine Estimates, 1936–37.

We had already been studying these estimates before we received your official letter on the subject, and I enclose a copy of a memorandum written by Hale early in May. This shows how our minds have been working, but it is only fair to add that the extremely unfavourable revenue returns for April and the disturbances this month now make us take a more serious view of the prospects than would appear from the memorandum. We should welcome a discussion as soon as is convenient to you.

Yours, &c.,

E. E. BRIDGES.

Enclosure in No. 8

Palestine Estimates, 1936–37.

	1933–34.		*1934–35.*		*1935–36.*		*1936–37.*	
	Actual.		*Actual.*		*Revised Estimates.*		*Proposed.*	
	£000	£000	£000	£000	£000	£000	£000	£000
Revenue		3,985		5,453		5,739		5,546
Expenditure—Ordinary ..	2,447		2,835		3,302		3,999	
Other ..	258		395		918		1,813	
	——	2,705	——	3,230	——	4,220	——	5,812
Surplus (+) or deficit (−)..		+1,280		+2,223		+1,519		−264

1. The Estimates raise two issues which can be kept to some extent distinct:—

(1) The growth of ordinary expenditure.

(2) The capital expenditure position, and the question of the £2 million loan.

I. ORDINARY EXPENDITURE.

2. The greater part of ordinary expenditure is recurrent, in the full sense of expenditure that, once incurred (e.g., on the salaries of permanent staff), involves recurring commitments which are difficult and in many cases impossible to get rid of. The Treasurer therefore, as in the past devotes some space in his memorandum (paragraphs 18 seq.) to justifying the new level of ordinary expenditure with reference to a " basic " figure of revenue. In dealing with the 1934–35 Estimates he put the basic figure at £3 million. The Treasury said that £2¾ million seemed a safer figure. Last year the Treasurer raised his figure to £3·8 million. The Treasury refrained from comment. This year, the figure is raised again to £4¼ million. As regards future expenditure, the following figures are given. The ordinary expenditure of £4 million proposed in 1936–37 is divided into recurrent, £3,666,848 and " special " £332,633. Recurrent expenditure, it is thought, will rise by £230,000 owing to (1) interest and sinking fund charges on the new loan and (2) pensions. " Special " expenditure could, it is estimated, be kept down to £200,000, and extraordinary to £300,000. If economic activity fell to the level at which revenue would fall to the basic figure, there would, it is estimated, be savings on Posts and Telegraphs, and generally, of £200,000; on the other hand, there would be a railway deficit of £75,000. The basic budget is thus:—

	£000	£000
Revenue		4,250
Expenditure—Recurrent	3,900	
Special	200	
	4,100	
Less savings	200	
Ordinary	3,900	
Extraordinary	300	
Railway deficit	75	4,275
Deficit		25

3. It seems to me very doubtful whether it is possible to arrive at a " basic " revenue figure on which any reliance can be placed. Information is lacking as to some of the major elements in Palestine's balance of payments, and in these circumstances it is not easy to estimate the effect of a cessation in the import of capital. There can be little doubt that a sudden total cessation would have catastrophic effects. In any case the rate at which the import of capital will decline must remain doubtful. Even if we were to accept last year's figure of £3·8 million as reasonable—and we did not question it then—it is not easy to see on what grounds the events of the past 12 months, taken as a whole, can be regarded as justifying an increase in that figure. The figure has apparently been raised because immigration was more rapid in 1935 than expected. Owing largely to political causes immigration was indeed accelerated, but this does not mean that the capacity of Palestine to support the immigrants has been increased. The wealth of the country does not depend simply upon the numbers of Jews who find it their only refuge from persecution, still less upon the rate at which they arrive. The rate of arrival determines the intensity of the consequent boom, but the ultimate wealth of the country depends largely upon the capacity of the land to support the immigrants, and the capacity of the land to support the immigrants depends to an important extent upon the capacity of outside markets to take an increased volume of citrus fruit. Demand for the 1935–6 crop, compared with that for 1934–5, was only very slightly improved.

4. What makes it particularly difficult to see why at this juncture the Treasurer should have put up his figure of basic revenue is that since the end of last summer the economic indices have been unfavourable. Up to then revenue had been expanding; that is to say, the revenue for each month was greater, sometimes by £100,000 and more, than that for the corresponding month of the previous year. With September this tendency ceased, simultaneously with the banking crisis which, though doubtless precipitated by outside events, would surely not have occurred if all had been well. After 5 months of little change, the February revenue suddenly slumped, being £70,000 less than in the previous February; and the March figure is even worse, the fall being £100,000. The coaching and goods revenue of the Palestine Railway shows a remarkably similar trend, only rather more pronounced. This tendency, it may be argued, is more due to the increasing evidence of Arab hostility than to purely economic causes; but even if this were true, it is not very comforting as long as there is no obvious remedy for the political unrest.

5. As regards the figure of basic expenditure, the Treasurer makes allowance for two factors. The first would account for £80,000, and the allowance made for increased pensions is thus about £150,000. This seems a reasonable allowance. But there is a third factor for which no allowance has been made. Where during a period of expansion numbers of new officials are engaged at or near the bottom of a salary scale the average cost per officer will be low, but if later expansion ceases, the existing officials continue to mount the scale until those who entered during the expansion period approach the maximum. As the usual junior scale in Palestine is long (£60—6—168), this factor is likely to be very important, though we here have not the knowledge to make any estimate of its probable effect.

6. In view of these considerations, the position does not seem to justify an increase of nearly £700,000 in Ordinary Expenditure as proposed. Examination of the detail of the Estimates shows very little to which it is possible to object on merits. Practically every Department shows a general expansion. No doubt a case can be made out for all the increases, but the question is, not whether a case can be made out for this or that, but whether Ordinary Expenditure is too high for prudence. If it is, the coat must be cut according to the cloth, even if this involves the jettisoning of proposals desirable in themselves. In my view, prudence points to the following basic budget:—

	£ million.	
Revenue		3·8
Expenditure—Recurrent	3·4	
Special	0·2	
	3·6	
Less savings	0·2	
Ordinary	3·4	
Extraordinary and Railway ...	0·4	3·8
Deficit	...	0·0

7. If the correct allowance to make for the increasing pension liability and the effect of salary scales were £300,000, and assuming no loan (see below), then present day recurrent expenditure ought not to exceed £3·1 million—in other words the figure proposed for 1936–37 is about £0·5 million too high. All this of course is very hypothetical, but the conclusion reached—that there should be no new recurrent commitments in 1936–37—is very similar to that which common caution would reach without any calculations in face of the latest revenue figures and the general state of unrest. As to how the necessary reductions should be made, this must be left to the Palestine Government.

II. Capital Expenditure and the Proposed Loan.

8. We are given the following figures:—

		£000
Estimated Surplus Balances as at 31.3.36		6,253
Budget deficit proposed, 1936–37 (after cuts)		264
Estimated Surplus Balances as at 31.3.37		5,989
Commitments against Surplus Balances ...	7,184	
Less items to be reserved	1,371	
		5,813
Surplus		176

9. These figures require further analysis. The figures of " surplus balances " are arrived at after including on the *assets* side expenditure which has been incurred in anticipation of the £2 million loan; the budget does not include all the capital expenditure to be incurred in 1936–37; and the commitments are an " omnium gatherum " of very dissimilar items. Some of these items are of such a nature that they should be written off at once in order to arrive at the true surplus as at 31.3.36 (e.g., irrecoverable agricultural loans and arrears of railway renewals). Others represent capital expenditure to be undertaken, for the most part, after the 31.3.37. A third group comprises the reserve fund of £3,000,000 to which no formal existence has been given and certain other reserves against specific contingencies. In order to make the position clear, a rather full analysis is necessary. This is set out in the appended statement, which can be reconciled with the presentation of the facts by the Palestine Government. From this the following facts emerge.

10. After deducting the items which should be written off now, including expenditure to 31.3.36 on works chargeable to the £2 million loan, the true surplus is about £3¾ million*. The excess over revenue of expenditure to be incurred in 1936–37, including expenditure on loan account, is nearly £800,000, so that, if the proposals made were approved, the true surplus would fall to just under £3,000,000 at 31.3.37. After that date the argument has to proceed on the somewhat artificial assumption that budgets will exactly balance apart from (1) deficits totalling £150,000 against which a specific reserve is proposed and (2) certain specific commitments. The specific commitments are for expenditure after 31.3.37,

	£000
1. on schemes already in progress	203
2. on schemes to be commenced in 1936–37	472
3. on schemes not begun or not in active progress ...	829

These commitments reduce the true surplus to just under £1½ million. As it is desired to provide a reserve fund of £3,000,000 and certain other specific reserves, the High Commissioner presses for the raising of the £2 million loan.

11. Quite apart from the question whether the programme of capital expenditure now proposed ought to be further reduced, the case for raising the loan is weak. If the loan is not raised, the ultimate free surplus, on the hypotheses adopted, is just under £1½ million. The position would not really be strengthened if this figure were raised to £3½ million by borrowing. In some ways the position would be made more insecure. The surplus of £3½ million would be a reserve against budget deficits, and however carefully the reserve fund, if formally constituted, were surrounded by safeguards, its existence would be a constant temptation to incur deficits. In essence, what is now proposed is to borrow in order to place Palestine in a position to incur deficits in the future.

* After writing off £500,000 for Treasury working balance. The Treasury working balance was put at £300,000 in the memorandum on the 1935–36 Estimates.

12. As regards the programme of capital expenditure, the volume of expenditure proposed shows a considerable increase over 1935–36, which itself was greatly in excess of 1934–35. It is not very easy to arrive at precise figures, but the position seems to be as follows:—

	1934–5 *Actuals, except for Railway.*	1935–6 *Revised Estimates.*	1936–7 *Proposed.*
	£000	£000	£000
Extraordinary Expenditure	361	814	1,825
Railways, Abstract F	27	230	420
	388	1,044	2,245
Less cuts proposed 1936–7	—	—	398
	388	1,044	1,847
5 per cent Loan	137	48	8
Proposed Loan	273	681	454
Haifa Harbour—Cargo Jetty	—	—	say, 70
Total Capital Expenditure	798	1,773	2,379

13. It is not easy for anyone in this country to pronounce upon the necessity for the works proposed, still less to place them in an order of priority. No doubt all the works are desirable in varying degrees, but against this must be set certain general considerations. Last year the Palestine Estimates provided for a much greater programme of capital expenditure than it has been actually possible to carry through. Of the Estimate of approximately £1 million for " Public Works Extraordinary " only £650,000 has been spent. It looks as if £1¾ million was about as much as the machine could carry. The machine of course can be enlarged. But is that desirable? The Treasurer, in his " basic " budget of the future, allows about £300,000 for extraordinary expenditure, and then there will be no loan expenditure. It may of course be some time before revenue falls to the basic figure. But clearly the present rate of capital expenditure cannot be maintained, and if it is increased in 1936–37, the subsequent drop will be all the sharper, with a strongly deflationary effect. This kind of fluctuation must surely be bad for the economic welfare of Palestine.

14. Hitherto, despite the rapid growth of expenditure, total expenditure, including that from loan, has fallen short of revenue, and this will have had a deflationary effect that, in a time of excessive boom, must be regarded as beneficial. The boom, it would be generally agreed, has been too sudden and violent, and now that it appears to have passed its peak, its seems desirable that the Government should do nothing, through the conduct of its own finances, to revive the inflationary tendency. A markedly deflationary policy might also be dangerous. In the circumstances the best policy would perhaps be one which would have neither an inflationary or a deflationary effect. The volume of expenditure proposed for next year would cause a marked fall in the surplus, the effect of which would be inflationary. The figures are as follows:—

	1934–5 (*Actual*)	1935–6 (*Revised Estimate*)	1936–7 (*Proposed*)
	£000	£000	£000
Surplus balances at beginning of year	2,511	4,734	6,253
Surplus balances at end of year	4,734	6,253	5,989
Increase (+) or decrease (-) in surplus balances during the year	+2,223	+1,519	-264
Deduct expenditure on account of proposed loan	-273	-681	-524*
Excess (+) or deficiency (-) of Government receipts over all expenditure ...	+1,950	+838	-788

15. In order that Government finance should be neither inflationary nor deflationary, expenditure in 1936–37 should be less by approximately £800,000 than is proposed. Such a reduction, if applied to capital expenditure, would leave that expenditure at £1·6 million, which seems to be just about as much as the existing machine can carry.

* Including, say, £70,000 on Haifa Harbour.

If however ordinary expenditure were reduced by £500,000, which is suggested in paragraph 7 as desirable, rather larger capital expenditure would be possible without setting up an inflationary tendency. The revenue returns and railway traffic receipts for March are however unfavourable, and it may be that the revenue estimate for 1936–37 is still too high. It seems doubtful therefore whether the rate of capital expenditure ought to be increased at this juncture. On the whole, I should favour of reducing capital expenditure in 1936–37 by about £600,000. This would mean proceeding at the same rate as in 1935–36, and not putting on the pace, as proposed.

Commitments against Surplus Balances.

I.

	£000	£000
The estimated surplus balance as at 31.3.36 is given as		6,253
This figure however includes the following items which must at once be written off, viz.:		
1. Expenditure to 31.3.36 on works chargeable to proposed loan	1,209	
2. Working balance	500	
3. Agricultural loans regarded as irrecoverable ...	110	
4. Payments to be made in respect of Ottoman Public Debt and Tobacco Règie	150	
5. Arrears of railway renewals	550	
		2,519

II.—1936–37.

	£000	£000
The estimated surplus at 31.3.36 is therefore a true surplus only to the extent of		3,734
Anticipated Revenue	5,546	
Proposed Expenditure (1) " Ordinary "—	£000	
" Recurrent "	3,667	
" Special "	332	
	3,999	
(2) " Extraordinary "	1,825	
(3) Railway (capital expenditure not met from operating surplus) ...	386	
	6,210	
Less cuts proposed on (2) and (3) ...	398	
		5,812
Budget deficit proposed, 1936–37		264
To this must be added certain proposed expenditure outside the budget, viz.:		
1. Expenditure chargeable to proposed loan	£000	
(*a*) On Haifa Drainage scheme (not yet commenced)	84	
(*b*) Long term Agricultural Loans in Hill Areas	50	
(*c*) Schemes in progress	320	
2. Haifa Harbour—Cargo Jetty, etc.—Scheme to cost £210,000 sanctioned, but no provision in Estimates. Expenditure in 1936–37 may be	70	
	524	
The true surplus at 31.3.37 will therefore be reduced by		788
leaving		2,946

III.

	£000	£000	£000
After 1936–37 the argument has to proceed on the somewhat artificial assumption that future budgets will exactly balance apart from (1) deficits totalling £150,000 for which a specific reserve is proposed (see below) and (2) certain specific commitments. The specific commitments are in respect of the cost falling after 31.3.37 of the following schemes:—			
(1) Schemes already in progress.			
Schemes chargeable to proposed loan	64		
Mental Hospital, Bethlehem	26		
Police Training School, Jerusalem ...	19		
Air ports	94		
		203	
(2) Schemes to be commenced in 1936–37.			
Scheme chargeable to proposed loan—Haifa Drainage	42		
Government Hospital, Haifa	57		
Government Offices, Jerusalem ...	147		
Haifa Post Office	23		
Haifa Trunk and Automatic Exchange	58		
Telephone ducts to site of Haifa Exchange	5		
Haifa Harbour—Cargo Jetty (already sanctioned)	140		
		472	
(3) Schemes not now in active progress or not begun.			
Resettlement of Displaced Arabs (chargeable to loan)	165		
Haifa Water Scheme (chargeable to loan)	200		
Government Offices, Haifa	15		
Law Courts, Haifa (extension) ...	26		
Married Quarters for Defence Forces	56		
Haifa Harbour, Liner Berth	63		
Huleh Irrigation	150		
Balance of railway improvements ...	154		
		829	
			1,504
These items leave a balance not specifically allocated of			1,442

IV.—Reserves.

Apart from the reserve fund, it is proposed to set aside the following specific reserves:—

1. Reserve against excess cost of works provided in the 1936–37 estimates	150	
2. Reserve to meet budget deficit if revenue falls to the "basic" figure before expenditure does so	150	
	300	
3. Reserve of £100,000 against excess cost of loan works. The excess over £2,000,000 of the estimated cost of such works for which allowance has been made above is £134,000. At this point therefore it is necessary to deduct	34	
		266
		1,176

	£000
In order to be able to create a reserve fund of £3 million it is now proposed to raise the proposed loan of	2,000
	3,176
Deduct proposed reserve fund, which the High Commissioner reckons as a commitment, and the remainder reconciles with the figure at the end of the table in paragraph 9 of the High Commissioner's despatch of 25.3.36	3,000
	176

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PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 8th June, 1936.)

[*Answered by ~~No. 75405/36~~ [No.]*.]

(Confidential (" C ").)

SIR, Jerusalem, 28th May, 1936.

I have the honour to transmit herewith a schedule of alterations* which it is proposed to include when the draft Estimates of Palestine for 1936–37 are eventually revised.

I shall be grateful if I may receive your approval of those details which have not already been sanctioned in separate correspondence as indicated in the various references given in the schedule.

2. Summarized, the effect of the alterations will be as follows:—

	£P.
Revenue:	
Additions	8,300
Less Deductions	75
Net Additions	8,225
Expenditure:	
Additions	41,992
Less Deductions	7,593
Net Additions	34,399
Less net Revenue Additions	8,225
Net increase in Expenditure over and above that shown in the draft Estimates	£P.26,174

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Palestine.

* Not printed.

Palestine Estimates—(C.28105/105). 12.

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75405/36 [No. 14]. No. 10 PROOF.

PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 7.0 p.m., 12th June, 1936.)

TELEGRAM.

[*Answered by* ~~No. 75405/36~~ [*No.* ~~17~~ 11].]

No. ~~285~~ Confidential. My despatch confidential 2 of 26th May* Draft Estimates. Treasury disposed to take the view that in present circumstances very substantial reductions should be made both in recurrent and in extraordinary expenditure. As to loan they are extremely doubtful as to case for raising it. I think it would be best if you could arrange for Johnson to come at once to London to discuss Draft Estimates and financial position generally.

---

* No. 75405/36 [No. 12]. not printed

Palestine Estimates—(C.28105/110). 12.

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PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 3.54 p.m., 19th June, 1936.)

TELEGRAM.

[*Answered by No. 75405/36 [No. 18].*]

No. 397. 19th June. Confidential. Your telegram No. 258*. I agree that very substantial reductions will have to be made both in recurrent and extraordinary expenditure but until I can frame a more reliable estimate of revenue and made a close appreciation of additional expenditure arising out of the disturbances I shall not be in a position to determine the extent of reductions needed. The question of a loan is also bound up with the general financial position and can only be considered when that is clearer. I propose to review the whole position after a month and then if as I hope the financial situation is less obscure I fully agree that Johnson's presence in London would be very useful. I hope it will be possible for him to come to London in the latter half of July with definite proposals to lay before you.

In the meantime I shall continue to spend on the basis of expenditure already approved in accordance with provisional warrant issued to Treasurer a copy of which was enclosed in my despatch No. 507 of the 15th May†.

---

* No. 75405/36 [No. 14].

† No. 75405/36 [No. 15].

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75405/36 [No. 19]. No. 12. PROOF.

PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 9.15 p.m., 25th June, 1936.)

TELEGRAM.

No. 294. Confidential. Your telegram No. 397*. Estimates. I concur in your proposal.

---

* No. 75405/36 [No. 17].

Palestine Estimates—(C.28105/106). 12.

Working Copy

75405/36 [No. 22]. No. 13 PROOF.

PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 1 p.m., 21st July, 1936.)

TELEGRAM. 14.

[*Answered by No. 75405/36 [No. 24].*]

No. 351. Confidential. My telegram No. 294*. In view of continued uncertainty of financial outlook I should not object to postponement for a month or two of proposed review of Estimates position and Johnson's visit (your telegram No. 397†).

In the meantime expenditure should continue on basis of Provisional Warrant of 1st April enclosed with your despatch No. 507 of 15th May‡.

Please inform me if you agree.

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* No. 75405/36 [No. 19]. 17 † No. 75405/36 [No. 17]. 11 ‡ No. 75405/36 [No. 15]. 7

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75405/36 [No. 27]. No. 14 PROOF.

PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 2.6 p.m., 23rd July, 1936.)

TELEGRAM.

No. 545. 23rd July. Confidential. Your telegram No. 351*. Unless something unforeseen occurs I anticipate that Johnson will be in a position to go to London at the end of August with such revised Estimates and information as to the financial position as should enable useful discussion to take place.

Expenditure will continue meanwhile on the basis of provisional warrant of the 1st April.

---

* No. ~~75405/36 [No. 22]~~. 13

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PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Confidential.)

SIR, Downing Street, 11th August, 1936.

With reference to your despatch Confidential C of the 28th May*, enclosing a list of alterations which it is proposed to include when the draft Estimates for 1936–37 are eventually revised, I have the honour, with the concurrence of the Lords Commissioners of the Treasury, to approve those details which have not already been sanctioned, with the following exceptions:—

Serial Number.	*Detail.*	*£P.*
3	Sale of Publications ... ... (*Dependent on approval of Expenditure Head XII Item 99*).	1,500
17	Grants to Local Authorities for School Sites and Buildings	2,000
27	Dies and Plates for New Issue of Postage Stamps ...	1,075
37	Two New Parcels Vans	300
38	Grinding Machine	170
40b	Notaries Public	720
40	Jerusalem Water Supply	2,460

2. Items 17, 27, 37, 38 and 40b will, I assume, be further considered in connexion with the forthcoming re-examination of the Estimates; while Item 40 relates to a proposal still under discussion.

I have, &c.,

W. ORMSBY GORE.

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* No. ~~75405/36 [No. 16]~~. 9

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PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

[*Answered by No. 75405/36 [No. 19].*]

(Confidential.)

SIR, Downing Street, 22nd December, 1936.

I have the honour to inform you that an agreement has been reached with the Treasury whereby the draft Estimates of the Revenue and Expenditure of the Palestine Government for the financial year 1936–37, as revised by the correspondence ending with my confidential despatch of the 11th August, 1936*, have been approved subject to certain qualifications and certain limitations. The qualifications and limitations are set out in the following paragraph.

2. The Estimates are approved on the definite understanding that no new expenditure (i.e., no expenditure which is not covered by the Provisional Warrant dated the 1st April, 1936, of which a copy was enclosed in your despatch No. 507 of the 15th May†) shall be incurred unless you are satisfied that such expenditure is necessary and unavoidable, and in particular:—

(*a*) *Personal Emoluments.*—Where provision for any new posts is made under any personal emoluments sub-head of the Estimates, no more than one-third of the total number of such posts shall be filled without the specific approval of the Secretary of State. No increased scales or rates of emoluments shall be paid, save in respect of normal increments, over those in the approved Estimates for 1935–36 without his specific sanction.

(*b*) *Other Charges.*—Under any Other Charges sub-division of any head where the total provision under the sub-division in the Estimates for 1936–37 exceeds the total provision in the approved Estimates for 1935–36 by more than £5,000, no expenditure under any sub-head of the sub-division may be incurred in excess of the provision under that sub-head in the approved Estimates for 1935–36 as supplemented by the provision in special warrants approved during 1935–36 *plus* one-tenth of that supplemented provision or £1,000, whichever is the smaller, without the specific sanction of the Secretary of State; and no expenditure of more than £1,000 may be incurred under any new sub-head without his specific sanction.

(*c*) *Special and Extraordinary Expenditure.*—(i) Under any Special Expenditure sub-division of any head no expenditure may be incurred under any sub-head in excess of the provision in the approved Estimates for 1935–36 *plus* one-tenth or £1,000, whichever is the smaller, without the specific sanction of the Secretary of State; and no expenditure may be incurred under any new sub-head where the provision in the Estimates for 1936–37 exceeds £2,000 without his specific sanction.

(ii) Under the Extraordinary Expenditure heads no expenditure may be incurred under any new sub-head where the total estimated cost of the item as shown in the Estimates for 1936–37 exceeds £5,000 without the specific sanction of the Secretary of State; and in the case of other sub-heads the total expenditure under the sub-head in 1936–37 and prior years may not, without his specific sanction, exceed by more than one-tenth the total estimated cost of the item which was previously approved.

As regards proposed increases in the establishment of the Public Works Department I shall be addressing you shortly in a separate despatch.

3. The arrangement set out in the schedule enclosed with despatch No. 564 of the 6th June, 1934‡, from Sir Philip Cunliffe-Lister (now Viscount Swinton) is of course not affected by the limited approval of the current draft Estimates conveyed in this despatch.

4. It is assumed that the necessary legislation will now be passed and that you will take measures to ensure that actual expenditure will be confined to the limits imposed in paragraph 2 of this despatch.

I have, &c.,

W. ORMSBY GORE.

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* No. ~~75405/36 [No. 35]~~. 15 † No. ~~75405/36 [No. 15]~~. 7

‡ No. 37305/34 [No. 14]: not printed.

Working Copy

75405/36 [No. 45]. No. 17 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by ~~No. 75405/36~~ [No. ~~16~~ 18].]

SIR, Downing Street, S.W.1, 22nd December, 1936.

I am directed by Mr. Secretary Ormsby Gore to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a despatch* which has been addressed to the High Commissioner for Palestine approving, with certain qualifications, the Estimates of Revenue and Expenditure of the Government of Palestine for the financial year 1936–37.

2. The conditions set out in paragraph 2 of the despatch to the High Commissioner have been agreed in the semi-official correspondence ending with Mr. Hale's letter to Mr. James No. S.35956/01/36 of the 14th December, 1936†, and I am to request that their Lordships may now be moved to give their formal covering approval of this arrangement.

I am, &c.,

O. G. R. WILLIAMS.

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* No. ~~75405/36 [No. 44]~~. 16 † No. 75405/36 [No.43]: not printed.

Palestine Estimates—(C.28408/115). 12.

Working Copy

75405/36 [No. 46]. No. 18 PROOF.

TREASURY

to

COLONIAL OFFICE.

S.35956/01/36.

SIR, Treasury Chambers, 7th January, 1937.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letter of the 22nd December, 1936*, with the accompanying copy of a despatch† which has been addressed to the High Commissioner for Palestine approving, with certain qualifications, the Estimates of Revenue and Expenditure of the Government of Palestine for the financial year 1936–37.

In reply I am to request you to convey to Mr. Secretary Ormsby Gore Their Lordships' covering approval for the arrangements set out in the above mentioned despatch.

I am, &c.,

R. V. NIND HOPKINS.

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* No. ~~75405/36 [No. 45]~~. 17

† No. ~~75405/36 [No. 44]~~. 16.

Palestine Estimates—(C.28408/116). 12.

Working Copy

PALESTINE.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 12th April, 1937.) 22

[*Answered by ~~No. 75405/36~~ [No. 50].*]

(Confidential (B).)

SIR,

Jerusalem, 3rd April, 1937.

I have the honour to refer to your confidential despatch of the 22nd December, 1936*, in which you conveyed qualified and limited approval of the Estimates of the Revenue and Expenditure of the Palestine Government for the financial year 1936–37, and to forward to you herewith two copies of the printed draft Estimates for the current financial year in which figures have been inserted in red ink to show the expenditure which has been authorized by the General Warrant† which has now been issued, and of which three copies are enclosed herein, or by Special Warrants which had previously been issued.

2. I should explain that the figures shown in the General Warrant and in the amended copies of the draft Estimates do not represent the final expenditure for the year since, as you will realize, it was not possible to go on amending the Estimates indefinitely. The figures now shown represent the known requirements of the various Departments within the authorized expenditure at the date on which the particular departmental Estimates came up for revision following on the receipt of the instructions conveyed in your despatch under reference.

If additional provision is required it will be covered by Special Warrant, due regard being had to the limitations imposed by your confidential despatch of the 22nd December, 1936*, and to the arrangement set out in the schedule enclosed with despatch No. 564 of the 6th June, 1934‡, from Sir Philip Cunliffe Lister (now Lord Swinton).

The approximate total requirements of each department as ascertained since these revised Estimates were prepared are shown in the appropriate column of the Abstract of Expenditure on page 5 of the draft Estimates for 1937–38.

3. In revising the figures of estimated expenditure and in preparing the General Warrant, I have taken into consideration the majority of the Special Warrants issued up to the date of the revision of the draft Estimates and the General Warrant now covers all Special Warrants for 1936–37 from Nos. 1 to 482, inclusive, with the following exceptions:—Nos. 22, 280, 323, 329, 339, 393, 394, 402, 410, 418, 422, 435, 436, 443, 444, 451, 460, 461, 462, 467, 468, 469, 470, 471, 472, 473, 474, 475, 477, 479, 480, 481.

With these exceptions all Special Warrants up to No. 482 have now been cancelled.

4. The Appropriation Ordinance for the year will cover the expenditure shown in the General Warrant. Any provision made under Special Warrants not replaced by the General Warrant, or issued after the date of the General Warrant, will be covered by a Supplementary Appropriation Ordinance when the final position is known.

The Appropriation Ordinance is in course of preparation and will be referred for your approval in the usual manner.

5. The Revenue Estimates have not been revised as I did not consider it necessary to have this done as the formal instruments conveying authority to Government and the Treasurer respectively are required in regard to expenditure only. Revised revenue figures for the current year are, *inter alia*, shown in the Abstract of Revenue at page 4 in the draft Estimates for 1937–38.

6. In conclusion, I should mention that the figures of expenditure for 1936–37 as shown in the appropriate column of the printed draft Estimates for 1937–38, differ from those which are now shown in the amended copy of the current year's Estimates which forms the first enclosure to this despatch. I propose that the amended figures should be inserted in due course in the Approved Estimates for 1937–38 which will, of course, have to be reprinted for this purpose.

I have, &c.,

J. HATHORN HALL,

For High Commissioner for Palestine.

(*Absent on tour.*)

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* No. ~~75405/36 [No. 44]~~. 16 † Not printed. ‡ No. 37305/34 [No. 14]: not printed.

Palestine Estimates—(C.28408/120). 12.

Working Copy.

75405/36 [No. 48]. No. 20 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by ~~No. 75405/36~~ [No. ~~48~~ 21].]

SIR, Downing Street, S.W.1, 22nd July, 1937.

With reference to your letter of the 7th January*, I am directed by Mr. Secretary Ormsby Gore to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a despatch† from the High Commissioner for Palestine forwarding copies of the printed draft Estimates of the Revenue and Expenditure of the Palestine Government for the financial year 1936-37 wherein figures have been inserted in red ink to show the expenditure which has now been authorized by the General Warrant which has been issued by the High Commissioner (a copy of which is enclosed in the despatch).

2. I am to invite their Lordships' general approval of the expenditure authorized by the General Warrant as a whole. I am at the same time to point out, with reference to the statement in paragraph 2 of the despatch that whilst the General Warrant includes known requirements within the authorized expenditure at the date of revision, a number of items appear to be included which would in the normal course of events still have required individual approval.

I am, &c.,

H. F. DOWNIE.

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* No. ~~75405/36 [No. 46]~~. 18 † No. ~~75405/36 [No. 47]~~. 19

Working Copy

75405/36 [No. 49]. No. 21 PROOF.

TREASURY

to

COLONIAL OFFICE.

S.35956/01/36.

SIR, Treasury Chambers, 19th August, 1937.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Downie's letter of the 22nd ultimo* with the accompanying copy of a despatch† from the High Commissioner for Palestine forwarding copies of the printed draft Estimates of the Revenue and Expenditure of the Palestine Government for the financial year 1936–37 wherein figures have been inserted in red ink to show the expenditure which has now been authorized by the General Warrant which has been issued by the High Commissioner, copy of which accompanied the above mentioned despatch.

In reply I am to request you to convey to Mr. Secretary Ormsby Gore Their Lordships' general approval for the expenditure authorized by the General Warrant as a whole.

My Lords assume that the expenditure authorized by the General Warrant is covered either by the general authority given by the Treasury Letter of the 7th January last (S.35956/01/36)‡ or by specific sanction.

I am, &c.,

F. PHILLIPS.

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* No. ~~75405/36 [No. 48]~~. 20 † No. ~~75405/36 [No. 47]~~. 19 ‡ No. ~~75405/36 [No. 46]~~. 18

Working Copy.

75405/36 [No. 50]. No. 22 PROOF.

PALESTINE.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

[*Answered by No. 75405/36 [No. 51]: not printed.*]

(Confidential.)

SIR, Downing Street, 26th August, 1937.

I have the honour to refer to your despatch Confidential " B " of the 3rd April*, forwarding two copies of the printed draft Estimates for the financial year 1936–37 in which figures are inserted in red ink to show the expenditure authorized by the General Warrant which you have issued, or by previous Special Warrants, and to convey to you, with the concurrence of the Lords Commissioners of the Treasury, my general approval of the expenditure authorized by the General Warrant, a copy of which accompanied your despatch under reference. This approval is given on the assumption that the General Warrant provided only for expenditure which had been covered either by the general authority conveyed to you in my Confidential despatch of 22nd December, 1936†, or by specific sanction, and that my covering approval has been or will be sought for all expenditure not so covered.

2. I also approve the draft Appropriation (1936–37) Ordinance, 1937, which accompanied your despatch Confidential " C " of the 22nd May‡, and which provides for the appropriation of a sum not exceeding £6,916,942 for the service of the twelve months ended the 31st March, 1937.

I have, &c.,

W. ORMSBY GORE.

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* No. ~~75405/36 [No. 47]~~. 19 † No. ~~75405/36 [No. 44]~~. 16 ‡ No. ~~75405~~/36 [No. 9A]: not printed.

TRANS-JORDAN ADMINISTRATION

Working Copy
W.S.

77029/35 [No. 10]. No. 23. PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 27th December, 1935.) 30

[*Answered by No. ~~77029/35 [No. 11]~~ and No. ~~77029/36 [No. 1]~~.*]

(Confidential.) 24

SIR, Jerusalem, 19th December, 1935.

I have the honour to refer to your predecessor's despatch No. 166 of the 18th October, 1935*, and subsequent correspondence regarding the Trans-Jordan Estimates, and to transmit herewith the draft Estimates of the Trans-Jordan Administration for the financial year 1936/37†, accompanied by a detailed memorandum prepared by the Financial Adviser†. I also enclose a copy of a letter No. 5009 of the 9th December, 1935†, from the British Resident, commenting on the Estimates.

2. In the following observations I omit from consideration the receipt and expenditure of grants from the Colonial Development Fund, and the self-balancing items relating to the Trans-Jordan Frontier Force.

It will be seen that the local revenue for 1936/37 is estimated at £P.285,960, an increase of £P.14,038 over the approved estimate for the current year, while the ordinary expenditure is estimated at £P.344,147, an increase of £P.18,000 over the current Estimates. The estimated excess of ordinary expenditure over local revenue is therefore £P.58,187.

Provision is also included for extraordinary works costing £P.43,549.

There is thus a deficit of £P.101,736 in the twelve months.

But the Trans-Jordan authorities, basing themselves on the figures of actual revenue and expenditure up to the 30th September, 1935, and forecasting as closely as possible the revenue and expenditure for the rest of the financial year, calculate that if the approved grant-in-aid of £P.60,000 for the current year is paid in full they would have a surplus balance of £P.45,984. This, together with a grant of the same amount for 1936/37, would make a total of £P.105,984, leaving an estimated surplus balance at the 31st March, 1937, of £P.4,248. The British Resident, in agreement with the Trans-Jordan Government, consequently proposes that the grant-in-aid in the current year, and in 1936/37, should be reduced to £P.59,000, thereby reducing the surplus balance at the 31st March, 1937, to £P.2,248.

3. I do not agree with this suggestion. Taking a narrow financial point of view it might be argued that as the financial situation of the Trans-Jordan Administration is so much better than was anticipated when the Estimates for 1935–36 were framed, the portion of the approved grant which is not utilized in the current year, less the agreed working balance, should revert to His Majesty's Treasury. But the economic history of Trans-Jordan in the last few years, and the present needs of the territory, cannot be ignored in considering the matter. For several years past Trans-Jordan has suffered from a series of dry seasons and bad harvests, with the result that all much-needed improvements have of necessity been postponed and the Trans-Jordan Administration has been virtually stagnant. The present surplus is mainly due to the very exceptional good harvest this year, and consequently it should be used to carry out these overdue improvements. I should deplore any suggestion that on the first occasion on which there are definite signs of the beginning of an economic recovery, the territory should be denied a reasonable measure of expansion of its services to meet certain long-felt needs and to increase their efficiency.

I am consequently strongly of the opinion that the grant-in-aid should be maintained at £P.60,000 both in the current year and in 1936/37.

4. On page 6 of his memorandum on the Estimates of Revenue the Financial Adviser explains that the principle which the Trans-Jordan Government have followed in preparing these Estimates is that such part of the estimated increase in revenue as may properly be regarded as permanent should be devoted to limited increases in recurrent expenditure. I consider that this attitude is fully justified having regard to the many urgent needs for expansion of the different Government services, needs which it has repeatedly been necessary to leave unsatisfied on account of the depressed condition of Trans-Jordan and because of my unwillingness, in the face of the expressed desire

* No. 77029/35 [No. 2]. Not printed † Not printed.

of His Majesty's Government gradually to reduce the grant-in-aid, to press for a special increase in the grant to enable the necessary expansion to be provided. But the need has remained, and I fully agree with the view expressed by the British Resident in paragraph 2 of his letter enclosed herein, to the effect that the small surplus which has become available through improved economic conditions, which if bad seasons should recur will prove to be quite temporary, should not at once be used to reduce the grant with which His Majesty's Government is aiding the Trans-Jordan Administration, but should be devoted to the much-needed improvement of Government services to the general benefit of the territory.

5. Turning to the summary of the Estimates set out in paragraph 2 of the despatch it will be seen, assuming that a grant of £P.60,000 is paid both in the current financial year and in 1936/37, that if the Estimates of both Revenue and Expenditure are realized, and if the local revenue and recurrent expenditure remain constant in succeeding years, the Trans-Jordan Government would need a grant of £P.56,000 in 1937/38, and of £P.58,000 a year in subsequent years, in addition to whatever provision might be necessary for extraordinary works. Such a deduction is, however, somewhat misleading, for the following reasons.

In the first place there is hope that in years to come the local revenue of the Administration will increase. The present Estimate has been most carefully drawn up by the Financial Adviser in consultation with the Trans-Jordan Government, and in view of the varied and unforeseen factors which have affected the Trans-Jordan revenues in the past I do not think that it can safely be increased, or that there are any grounds for expecting a much larger revenue in the next few years. But it is fair to assume that when the different development schemes on which the Trans-Jordan Government are now embarking with assistance from the Colonial Development Fund are in operation, the capacity of the tax payers will be considerably increased.

Secondly there is the prospect of a gradual increase of revenue from certain sources. The reductions of Land Tax collections in accordance with article 16 of the Land Tax Law, for which an allowance of £P.2,800 is made in the enclosed draft Estimates, will be diminished progressively. The Agricultural Station for the establishment of which a grant from the Colonial Development Fund has lately been approved, and the watering station for flocks which it is proposed to establish at the Teneib bore, are also expected in due course to produce some revenue.

Moreover the ordinary expenditure which has been taken into account in considering this aspect of the matter includes certain items which will not recur indefinitely. The Financial Adviser on page 16 of his memorandum on expenditure points out that Item 7 of Head XV–A of the draft Estimates for 1936/37 includes a provision of £P.5,000 which will need to be repeated for two further years only. Similarly the provision of £P.130 under Item 50 of Head XIII for the rent of Grain Stores under the seed distribution scheme will be required for three years only. Other items which constitute special expenditure not likely to recur are V, 15, Legal Books for Chief Minister, £P.10; VII, 71, Law Books for Ministry of Justice (part), £P.80; XII, 59, Equipment for Arts and Crafts School, £P.370; XV, 20, Engineering Instruments (part), £P.80.

Further, although every effort is made to estimate accurately the requirements of Government expenditure in the coming year it is invariably found at the end of the period that there have been many small economies, resulting from the occurrence of vacancies in the establishment which have not been filled at once, or have been filled by an officer drawing a lower salary than his predecessor, and similar causes which could not be foreseen.

For all these reasons I am satisfied that the enclosed Estimates may be approved without any danger that the moderate expansion of services for which provision has been included therein will have the effect of committing His Majesty's Government to an increase in future years of the assistance which they furnish to Trans-Jordan.

6. I do not propose to comment in detail on the enclosed Estimates. They have been most carefully prepared by the Financial Adviser in collaboration with the Chief Minister and the Heads of Departments of the Trans-Jordan Government, and are fully explained in Mr. Champion's memorandum. Particulars of some of the proposed new posts and regradings were given in Mr. Hall's despatch No. 123 of the 14th September*: the remainder comprise only such increases as the Trans-Jordan Government, after very careful examination of the proposals submitted to them, consider are essential for the efficiency of the administration. I accept the recommendations of the Trans-Jordan Government in this respect.

7. I have the following observations to make on certain items.

* No. ~~77103/35 [No. 30]~~. 37 in Middle East. No 55

Revenue.

(i) Head VI, Item 3. In paragraph 2(*b*) of his despatch No. 123 of the 14th September* Mr. Hall informed you that a further recommendation would be made regarding the proposal of the Trans-Jordan Government that the seed loans issued in 1934 to cultivators of the Beni Hassan tribe and the villages of Remtha, Naimeh and Sarih should be written off. I shall address you shortly on the subject in a separate despatch, but I take this opportunity of mentioning that I have reached the conclusion that the loans should be written off.

Expenditure.

(ii) Head I, Item 1(*b*). The British Resident and the Financial Adviser have been much concerned at the unsatisfactory financial situation of the Amir Talal. At the beginning of the present financial year it was found that he had debts amounting to £P.1,242 and the Financial Adviser undertook to assist him in straightening his affairs. His personal and household expenditure has been rigorously curtailed; the temporary increase of £P.500 in the Civil List sanctioned in the current year (*vide* paragraph 11 of your predecessor's confidential despatch of the 28th June†) was devoted to a reduction of the debt; and His Highness the Amir Abdullah personally contributed a further sum of £P.394 for the same purpose. As a result of these arrangements it is anticipated that by the 31st March next the Amir Talal's debts will be reduced to £P.215.

Having regard to all the circumstances I feel some doubt whether a permanent increase of the grant to £P.1,320 a year is justified. I agree with the British Resident, however, that the Amir Talal cannot maintain himself and his family in a fitting manner with an allowance of £P.820 a year, and I propose that the item should be increased to £P.1,000. This would bring the total of items 1(*a*) and 1(*b*) to £P.13,000 as agreed by the Treasury.

In addition, as the financial position of the Trans-Jordan Government is at present satisfactory, and as an alternative to incurring an increased recurrent commitment, I recommend that provision should be made, as a special case, for the refund to the Amir Abdullah of the sum of £P.394 which he paid towards his son's debts, and for the payment of a further £P.215 in settlement of the remainder of the debts which will be outstanding at the end of the current financial year.

(iii) Head XIII, Items 11 and 15. I enclose a copy of a memorandum by the Assistant British Resident‡ which sets out the policy of the Trans-Jordan Government relative to the conservation of forests.

(iv) Head XIII-A, Item 1. In paragraph 3(*o*) of his despatch No. 123 of the 14th September*, Mr. Hall informed your predecessor that he was not satisfied that there was justification for offering Taufiq Bey Abul Huda salary at the maximum of the grade £P.48–2–58 a month in the proposed post of Registrar of Co-operative Societies. I have further considered this question and I have reached the conclusion that until Taufiq Bey has shown himself to be fitted for the post and the Co-operative Societies have developed, the salary should not exceed £P.37 a month in the grade £P.32–1–37.

(v) Head XXI. As you are aware, the Beduin Control Board has been in abeyance since the death of the Amir Shaker. The situation has been under consideration, and the British Resident, in consultation with the Officer Commanding, Arab Legion, and Major Glubb, has drawn up proposals for the re-establishment of the Board on somewhat modified lines. I shall address you on the subject in due course, and in the meantime I agree that the provision made in former years under this Head should be included in the draft Estimates.

8. The recommendations I have made in the foregoing paragraphs would have the following effect on the draft Estimates:—

(*a*) *Revenue*—Increase balance at the 1st April, 1936, by £P.1,000; increase grant-in-aid 1936/37 by £P.1,000.

Net increase £P.2,000.

(*b*) *Expenditure.*—Head I, increase Item 1(*a*) by £P.394; decrease Item 1(*b*) by £P.105. Head XIII-A, Item 1, decrease by £P.108.

Net increase £P.181.

* No. 77103/35 [No. 30]. † No. 77045/35 [No. 3]. not printed ‡ Not printed.

37 in Middle East. No 55.

The surplus balance at the 31st March, 1937, would thus be £P.4,067. Having regard to the many uncertain factors which are liable to affect the finances of Trans-Jordan I think it would be wise to retain this balance in the Estimates for the present. The position could be reviewed in the course of 1937 when it will be possible to judge the harvest prospects and the economic situation generally.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

77029/35 [No. 11]. No. 24 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 1 p.m., 4th January, 1936.)

TELEGRAM.

[*Answered by ~~No. 77029/36~~ [No. 3.]*

No. 1. Confidential. Your despatch Confidential of 19th December* Trans-Jordan Estimates. I have now given preliminary consideration to draft Estimates and regret that having regard to Treasury views which are explained in my despatch confidential 2 of 19th December† I can see no prospect of Treasury agreeing to full issue of grant-in-aid this year together with provision of £60,000 for 1936–37. I have therefore been examining possible means by which grant next year might be reduced without depriving Trans-Jordan of any essential need. I suggest following amendments in Estimates.

(1) Decision to include cost of new Telephone Exchange in Estimates should be abandoned and loan of £4,000 from Colonial Development Fund should be taken up.

(2) Capital expenditure on proposed Teneib Farm should be excluded from Estimates and application made to Colonial Development Fund for free grant of £1,400 for this purpose.

(3) Estimate of receipts from Customs and Excise should be increased from £86,500 to £91,000. While I fully appreciate reasons for cautious estimate, large surplus in last two years seems to justify some further increase.

Effect of these changes would be to increase Revenue by £4,500 and reduce Expenditure by £5,400 and application could be made for grant-in-aid of £50,000 instead of £60,000.

If you see difficulty in any of these proposals can you suggest alternatives? I shall be grateful for very early reply.

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* No. ~~77029/35 [No. 10]~~. 23

† No. ~~77103/35 [No. 53]~~. not printed

Working Copy

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 2.55 p.m., 13th January, 1936.)

TELEGRAM.

[*Answered by ~~No. 77029/36~~ [No. 30].*]

No. 3. 13th January. Confidential. Your telegram No. 1* Trans-Jordan Estimates. I agree with suggested amendments.

2. But further changes in the Draft Estimates have become necessary since I wrote my confidential despatch of the 19th December† namely: (*a*) Latest report of the Palestine Currency Board indicates that Trans-Jordan share of the profits will on the present basis of calculation be only £6,703 this year and £5,286 in 1936/37 instead of £10,000 in each year as estimated. There would thus be short-fall of £8,011 but the British Resident is proposing revised method of calculation which if accepted will reduce short-fall to £4,700. (*b*) Lack of rainfall has destroyed crops in large areas east of Beersheba and is now threatening the crops over almost all Trans-Jordan. It is essential to increase reserve to meet the situation arising from probable destruction of crops and I recommend that margin allowed in the Estimates should be increased by £5,000. (*c*) Peake advises that political unrest in Palestine is likely to have repercussions in Trans-Jordan. For sake of internal security there must be no possibility of interruption of road communications between Jerusalem and Amman and I therefore consider it essential to proceed with the erection of new bridge mentioned in the first paragraph of my despatch No. 167 of the 26th November 1935‡. I also think that Arab Legion should have additional 250 rifles and necessary ammunition as reserve. Cost of these two items including magazines for rifles would be £2,000 and £P.2,400 respectively.

3. The foregoing items would increase deficit by £14,100. But I appreciate view of the Treasury mentioned in your telegram and with view to meeting them as far as possible without depriving Trans-Jordan of any essential needs Estimates of revenue for 1936/37 have been carefully scrutinized in the light of the latest figures of actual revenue in the current financial year. Cox advises that the following increases may be made in draft enclosed in my despatch confidential of the 19th December†: Head I, £500 additional to increase proposed in your telegram No. 1*: Head II, Item 17, £1,000: Head III, Item 2, £500; Item 5, £500; Item 6, £250: Head VIII, £1,000. Balance to be carried forward at the 31st March, 1937, may also be reduced by £2,000.

These changes together with amendments suggested in your telegram would still leave deficit of £58,450 and I feel bound to urge that grant be paid in full this year and approved at £P.58,000 for 1936/37 on condition that if balance at the end of that year exceeds £2,000 grant will be reduced by the amount of excess.

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* No. ~~77029/35 [No. 11]~~. 24 † No. ~~77029/35 [No. 10]~~. 23 ‡ No. 77103/35 [No. 52]. not printed

Working Copy

77029/36 [No. 3]. No. 26 PROOF.

COLONIAL OFFICE

to

THE TREASURY.

[*Answered by ~~No. 77029/36~~ [No. 27].*]

SIR, Downing Street, S.W.1, 25th January, 1936.

With reference to the letter from this Department of the 2nd December, 1935*, I am directed by Mr. Secretary Thomas to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a despatch† from the High Commissioner for Trans-Jordan forwarding the draft Estimates of the Trans-Jordan Administration for the financial year 1936–37.

2. Their Lordships will recall that the High Commissioner submitted some months ago proposals for additional expenditure during the current financial year which was to be met from the surplus balance available. Certain of these recommendations were forwarded to the Treasury in the letter from this Department of the 9th November, 1935‡, to which the Treasury replied in their letter No. S.35961/01/35 of the 5th December, 1935§. In submitting these proposals to the Treasury, it was indicated that the Secretary of State had not felt able to support the recommendations for the creation of new posts and the upgrading of existing posts, as he considered it more appropriate that these items should be considered in the Estimates for 1936–37. While the Treasury accorded sanction to a number of the proposals submitted to them, they withheld approval in other instances, requesting that the items in question should be considered in connexion with the Estimates for the coming financial year. All the proposals which did not receive sanction in the Treasury letter of the 5th December, 1935§, and which were not laid before the Treasury by this Department have been included in the Estimates which are now forwarded for consideration. In the letter from this Department of the 9th November, 1935‡, the proposals submitted for approval were set out in detail and the High Commissioner's despatch of the 14th September, 1935‖, was not enclosed. It will now, however, be necessary to refer to that despatch, which contains detailed comments upon the proposals not submitted to their Lordships last November but which are now included in the Estimates for the coming year. A copy of the despatch therefore forms one of the enclosures to this letter.

3. The Estimates as submitted in the High Commissioner's despatch of the 19th December, 1935†, have been carefully prepared and contain a complete picture of the position of the Trans-Jordan Government at the present time. The necessary provision has been made in connexion with the various schemes recently recommended by the Colonial Development Advisory Committee and approved by the Treasury.

4. On a preliminary examination of the Estimates, however, the Secretary of State felt it necessary to consider whether there were not certain directions in which the Estimates could be amended in order that the grant-in-aid proposed for the year 1936–37 could be reduced. As a result of this consideration, Mr. Thomas addressed the enclosed telegram to the High Commissioner on the 4th January¶.

5. In the High Commissioner's reply of the 13th January**, a copy of which is also enclosed, he accepts the suggested amendments proposed in the Secretary of State's telegram on the 4th January¶, but he indicates that since the draft Estimates were prepared certain further factors have arisen which necessitate changes in the Estimates. The reasons for the amendments proposed by the Secretary of State and for the further changes in the Estimates now requested by the High Commissioner are clearly explained in these telegrams.

6. I am also to enclose an amended summary†† of the financial position (based on the summary forwarded with the Estimates, but amended so as to include the revised proposals contained in this letter) together with a statement†† showing how the amended figures for revenue and expenditure in 1936/37 are arrived at. In this amended summary provision has been made for a grant-in-aid in the coming year of £58,000 and there is an estimated surplus balance at the 31st March, 1937, of £797.

7. Having regard to the considerable surplus balance anticipated at the 1st April next, their Lordships may think it necessary to consider whether the issue of the full amount of the grant-in-aid provided for this year, viz., £60,000, together with the provision of a sum of £58,000 as the grant-in-aid for the coming financial year, is required. The Secretary of State does not feel able to contest the

* No. 77029/35 [No. 7]: not printed.
† No. ~~77029/35 [No. 10]~~ 23
‡ ~~77103/35 [No. 82]~~. No. 38 in middle East No. 55.
§ No. ~~77109/35 [No. 51]~~. 37 in middle East No. 55.
‖ No. ~~77103/35 [No. 30]~~.
¶ No. ~~77029/35 [No. 11]~~. 24
** ~~No. 77029/36 [No. 2]~~. 25
†† Not printed.
40 in middle East No 55

principle set out in paragraph 3 of Treasury letter No. S.35961/01/35 of the 5th December, 1935*, as the criterion which should normally be applied in deciding what grant-in-aid is necessary from year to year. In the present instance, however, Mr. Thomas feels that the circumstances are somewhat exceptional. The creation of new posts and the upgrading of existing posts which are provided for in the Estimates, and also certain of the items of capital expenditure which have been included, represent needs which have had to be deferred for a number of years owing to the period of depression through which the territory has passed. The Secretary of State agrees with the view of the High Commissioner that it would be unreasonable on the first occasion on which the finances of Trans-Jordan show a marked improvement to prevent the Trans-Jordan Government from giving effect to these deferred services which are urgently required. If an immediate and substantial reduction of the grant-in-aid were insisted upon both at the present moment and in future years (if further surplus balances are realized), it would prevent the Trans-Jordan Government for an indefinite and prolonged period from giving effect to services which they regard as essential to the efficiency of the Administration and from according proper treatment to the staffs of the Government Departments concerned. It is considered, therefore, that the High Commissioner has made out an adequate case to justify, in spite of the substantial surplus available, the issue in full of the grant-in-aid for the present year and the provision of a grant-in-aid of £58,000 in respect of the coming year.

8. The Secretary of State recognizes, however, that the present occasion is somewhat exceptional and that the Trans-Jordan Government cannot expect indefinitely to frame their budget on the basis that available surpluses can be used for increased expenditure.

9. The Secretary of State has the following comments to make upon the draft Estimates of Revenue.

Head I. Customs and Excise.

In the Estimates as submitted the sum provided under this Head is £86,500. In view, however, of the substantial surpluses which have been realized under this Head in the last two years, the Secretary of State suggested to the High Commissioner that in all the circumstances some further increase in the estimate under this Head might be made. The figure he suggested was an increase of £4,500. The High Commissioner has agreed to this, and in addition the British Resident in Trans-Jordan has indicated that a further addition of £500 can reasonably be made. The estimated revenue under this Head is therefore now £91,500; an increase of £5,000 over the original estimate.

Head II. Licences and Taxes.

Item 7. Licences, Sale of Tobacco.

It is stated in the telegram from the High Commissioner of the 13th January†, that this Item may be increased by £1,000. The revised estimate for this Item is therefore £1,550.

Item 12. Land Tax.

It will be seen from the Financial Adviser's memorandum that a sum of £9,000 has been allowed on account of possible remissions in respect of failure of crops. The High Commissioner's telegram of the 13th January† explains that in view of recent events it is thought desirable to increase this margin by £5,000. The revised estimate of receipts under this Item is therefore £50,500. With regard to the reference in the Financial Adviser's memorandum to reductions under Article 16 of the Land Tax Law, reference is invited to paragraph 2 of the Acting High Commissioner's despatch of the 17th August, 1935‡, a copy of which was enclosed in the letter from this Department of the 9th of November, 1935§.

Item 16. Stamp Duty.

There is a reduction of £200 in the estimate in this Item as compared with 1935–36. Attention is invited to Treasury letter No. S.39417 of the 9th August, 1935‖.

Head III. Fees of Court or Office.

Item 2. Sharia Court Fees.

In the High Commissioner's telegram of the 13th January† an increase of £500 in this Item is proposed. The revised figure for this Item is therefore £4,000.

Item 5. Land Registry Fees.

An increase of £500 in this Item is proposed in the High Commissioner's telegram of the 13th January†. The revised figure for this Item is therefore £6,000.

40 in Middle East No 55. 36 in Middle East

* No. ~~77103/35 [No. 51]~~. † No. ~~77029/36 [No. 2]~~. 25 ‡ No. ~~77103/35 [No. 28]~~.
§ No. ~~77103/35 [No. 32]~~. ‖ No. 77096/35 [No. 5]. not printed

38 in Middle East No. 55.

Item 6. Land Settlement Fees.

An increase of £250 in this Item is proposed by the High Commissioner. The revised figure for this Item is therefore £750.

Head VI.

Item 3. Interest on Agricultural Loans.

It is explained in the Financial Adviser's memorandum and also in paragraph 7 of the High Commissioner's despatch of the 19th December, 1935*, that a proposal will be received in due course that the seed loans issued in 1934 should be written off.

Head VII. Miscellaneous.

Item 2. Share of Profits on Palestine Currency.

It will be seen from the High Commissioner's telegram of the 13th January† that the revenue from this source has been over-estimated both for the current year and for 1936–37. Under the present position there will be a short fall of £8,011 in respect of the two years in question, but the British Resident in Trans-Jordan has proposed a revised method of calculation which, if accepted, will reduce the short fall to £4,700. In making his calculations as to the financial position of the Trans-Jordan Government the High Commissioner has adopted the latter figure, and in the amended summary a reduction of £2,000 has been made in the revenue estimate for the current year (i.e., the local revenue has been reduced from £302,320 to £300,320) and for the year 1936–37 a reduction of £2,700 has been made. The figure for the revised estimate for Item 2 in 1936–37 is therefore £7,300.

Head VIII. Sale of State Domains.

The High Commissioner proposes an increase of £1,000 under this Head. The revised figure is therefore £3,500.

10. I am to offer the following comments on the Estimates of Expenditure.

11. In connexion with the various proposed increases of expenditure attention is invited to the Acting High Commissioner's despatch of the 14th September, 1935‡, to which reference is made in paragraph 2 above. In preparing his memorandum the Financial Adviser has not commented in detail on those proposals which have already been explained in that despatch.

Head I. Civil List.

Attention is invited to the remarks on this Head in the Financial Adviser's memorandum, in paragraph 3 of the British Resident's letter of the 9th December, 1935§, and in paragraph 7 of the High Commissioner's despatch of the 19th December, 1935*. In the current year's Estimates the Treasury agreed that the total of Items 1 (*a*) and (*b*) of Sub-Head A should be increased permanently to £13,000. They also agreed that a sum of £500 should be approved as a temporary measure only. The provision made for 1936–37 in the Estimates as drafted continues the provision of £500 in respect of the coming year. The High Commissioner, however, makes a different proposal which appears to the Secretary of State to have much to commend it. He proposes that the provision under Item 1 (*a*) should be £12,000 and under Item 1 (*b*) £1,000. In addition to this he recommends that a sum of £609 should be provided in respect of next year only for the purpose of repaying the Amir Abdulla the £394 which he has contributed towards a reduction of the debts of the Amir Talal and for the purpose of paying off the further outstanding debts of the Amir Talal which amount to £215. It is most desirable that the Amir Talal's debts should be paid off and that he should be able to start afresh with an income of £1,000 a year. The Secretary of State accepts the High Commissioner's opinion that a lesser sum than this is insufficient to enable him to maintain a wife and family in a position suitable to his standing in the country. Considerable friction has developed during the last year between the Amir Talal and his father. At one time relations between father and son became so strained that when the Amir Abdulla proceeded to Baghdad to attend the circumcision of King Ghazi's son, instead of appointing the Amir Talal as Regent he appointed a Council of Regency. It is understood that the Amir Abdulla's displeasure was caused mainly as a result of his having to find money to meet his son's debts. There has since been a reconciliation between the Amir and his son, but it is unfortunate that matters have reached the position where relations should have become so strained that the Amir took the action which he did on

* No. ~~77029/35 [No. 10]~~. 23 † No. 77029/36 [No. 2]. 25 ‡ No. ~~77103/35 [No. 30]~~. 37 in Middle East. No. 55.
§ Enclosure 3 in No. ~~77029/35 [No. 10]~~: Despatch only printed.

23.

his recent visit to Baghdad. The Secretary of State trusts that their Lordships will approve the provision proposed by the High Commissioner, viz., £12,394 under Item 1 (*a*) and £1,215 under Item 1 (*b*), a net increase of £109 over the figures included in the Estimate.

Head IV. Pensions and Gratuities.

Item 1. Pensions.

In this connexion attention is invited to the letter from this Department of the 25th November, 1935*, forwarding a report of the Financial Adviser to the Government of Trans-Jordan regarding the increase in expenditure on pensions and gratuities.

Head X. Customs and Excise.

Item 13 and Item 14.

Provision is made under these two items for *inter alia* an additional Customs and Excise Officer at Mafraq and an additional Customs and Excise Officer at H.4, both of which are special stations of the Iraq Petroleum Company in Trans-Jordan. Under the terms of the Convention between the Trans-Jordan Government and the Company it is provided that in view of the exceptional nature of the undertaking special facilities shall be granted to the Company if necessary for the import of materials at points convenient to the Company, etc. The Company for their part undertake to erect and maintain any special buildings that may be necessary and to pay the additional fees of Customs officials prescribed by the regulations. Information has recently been received that the British Resident in Trans-Jordan is making application to the Company in order to obtain their agreement to defray the cost of any special facilities provided. It is presumed that these two posts will fall into this category. In view of the comparatively small amount involved in the coming year and in the absence of details as to the proposed arrangements with the Company, no adjustment in the Estimates has been made. It is proposed, however, in conveying approval for these posts to remind the High Commissioner of the obligations of the Company under this convention and to ask him to report in due course the arrangements which are made with the Company.

Head XI. Public Health Department.

Item 73. Share of Cost of Desert Medical Mobile Unit.

The establishment of this unit was approved in Treasury letter No. S.40303 of the 24th October, 1935†. In conveying approval to the High Commissioner he was informed that their Lordships were not satisfied, on the information which was before them at the time, that the circumstances justified the apportionment of half the recurrent cost to Trans-Jordan. The High Commissioner has not yet replied to that despatch, but provision has now been made under Item 73 for half the recurrent cost of the unit. Until he has received and considered the further comments of the High Commissioner, the Secretary of State does not feel justified in proposing the removal of this Item from the Trans-Jordan Estimates. It is anticipated that some further comment on the matter will be made when the Palestine Estimates for 1936–37 are received. For the moment it is suggested that approval should be given for this item to remain in the Estimates on the understanding that this does not prejudice any final decision which may be reached and that their Lordships will be consulted further before any settlement takes place.

Head XIII.

Items 20, 21, 22, 23 and 51.

These Items make provision for the recurrent expenditure on the small Agricultural Commercial Station which it is proposed to establish at Teneib in the vicinity of the Meshetta bore-hole. The proposal is explained in more detail in paragraph 12 (*j*) of the letter from this Department of the 9th November, 1935‡. It will be seen, however, from the Secretary of State's telegram to the High Commissioner of the 4th January§ and the latter's reply of the 13th January‖ that it is now proposed to make application to the Colonial Development Advisory Committee for a grant of the capital cost of establishing the station. Their Lordships are therefore requested to allow these Items to remain in the Estimates on the understanding that no expenditure will be incurred unless approval is eventually given for the capital cost of establishing the station. The provision for the capital cost made in these Estimates under Head XXV (Agriculture, Forests and Veterinary Extraordinary), Items 1 and 2, can be deleted.

* No. 77103/35 [No. 41]: not printed. † No. 77048/35 [No. 15]: not printed.
‡ No. ~~77103/35 [No. 39]~~. § No. ~~77029/85 [No. 11]~~. ¶ No. ~~77029/86 [No. 2]~~.

38 in Middle East Nos

Items 26, 27, 28 and 45.

These Items provide for the recurrent expenditure upon the Agricultural Experimental Station, the capital cost of which is being provided from the Colonial Development Fund. Attention is invited to Treasury letter No. S.34609/0370 of the 18th October, 1935*.

Item 53 makes provision for the cost of the hire of grain stores which are required in connexion with the scheme for the distribution of selected seed which is being financed by the Colonial Development Fund. Reference is invited to Treasury letter No. S.34609/0369 of the 18th October, 1935†.

Head XIII. A. Co-operative Societies.

Item 1.

In connexion with the formation of a Department of Development which is being financed by the Colonial Development Fund, it is proposed to appoint a Registrar of Co-operative Societies whose work will be supervised by the Director of Development. It will be seen from the High Commissioner's despatch of the 19th December, 1935‡, that he proposes that the post should be filled in Grade IV at £37 per month, and not as proposed in the detailed Estimates. A reduction under this Item of £108 may therefore be made. Approval for the formation of a Department of Development was given in Treasury letter No. S.34609/0371 of the 7th December, 1935§.

Head XV. A. Public Works Recurrent.

Item 7.

Attention is invited to the detailed comments on this Item in the Financial Adviser's memorandum, in the British Resident's letter of the 9th December, 1935‖, and in the High Commissioner's telegram of the 13th January¶. Special expenditure upon the Trans-Jordan roads was necessary last winter owing to the damage done by floods, and recently heavy damage was done by rains to the Trans-Jordan section of the road between Amman and Jerusalem. Immediate expenditure of £1,000 was necessary for the purpose of restoring the road at various points and this was authorized in the Secretary of State's despatch No. 211 of the 19th December, 1935**. The provision under this Item in respect of the current year is therefore £13,362, and not £12,362 as shown in the draft Estimates. For the financial year 1936–37 provision has been made for the expenditure of £5,000, being the first instalment of a three-year programme for resurfacing in tar-macadam the road between Amman and Es Salt. The reconstruction of the section from Es Salt to the Allenby Bridge is being financed in equal shares by the Trans-Jordan Government and the Colonial Development Fund. The provision of £5,000 under this Item is in respect of the section between Es Salt and Amman, and the High Commissioner has also now proposed in his telegram of the 13th January¶ the expenditure of £2,000 on the erection of a new bridge to replace the one destroyed in the rains of last October. The provision under this Item should therefore now be increased by £2,000 to £17,000. The provision of Trans-Jordan's share of the reconstruction of the Es Salt–Allenby Bridge section is made under Head XXIII, Public Works Extraordinary, Item 18. The Secretary of State considers that it is very important, both on the grounds of general development and internal security, that the whole road from Amman to Jerusalem should be in first-class condition, and he supports the High Commissioner's proposals for the expenditure of £5,000 on the Es Salt–Amman section during the coming year and of £2,000 for the construction of a new bridge at the junction between the Wadi el Jeria and Wadi Sheib. A copy of the High Commissioner's despatch No. 167 of the 26th November, 1935††, and of the Secretary of State's reply†† was sent to the Treasury under cover of this Department's letter of the 20th December, 1935††.

Head XVII. Lands Department.

Items 7, 8, 28, 30 and 32.

These provide for increases of staff which are necessary owing to the increased work in the office of the Lands Department which will arise as a result of the provision of two additional Land Settlement Parties, the cost of which is to be found from the Colonial Development Fund. In this connexion, reference is invited to Treasury letter No. S.34609/0368 of the 6th December, 1935‡‡.

* No. 77093/7/35 [No. 8]: not printed. † No. 77093/6/35 [No. 8]: not printed.
‡ No. ~~77029/85 [No. 10]~~23 § No. 77093/9/35 [No. 10]. not printed
‖ Enclosure 3 in No. ~~77029/85 [No. 10]~~23 Despatch only printed. ¶ No. ~~77029/86 [No. 2]~~. 25
** No. †† No. 77103/35 [Nos. 52, 54, 55]: not printed.
‡‡ No. 77093/5/35 [No. 11]: not printed.

77103/35 [No 54] not printed.

Head XXIII. Public Works Extraordinary.

Items 14 and 15.

These provide for the construction of a Customs store at Mafraq and for the construction of Customs accommodation at H.4. Attention is invited to the comments under Head X, Customs Department, Items 13 and 14. It is assumed that this accommodation, or at any rate a part of it, is required in connexion with the special arrangements for imports by the Iraq Petroleum Company, and under the terms of their Convention with the Trans-Jordan Government they are required to repay the cost of these services. It is proposed, in conveying approval to the High Commissioner for this construction work, to remind him of the obligations of the Company and to ask him to report the arrangements which are made with the Company.

Item 17.

This proposal was orginally submitted in the Acting High Commissioner's despatch of the 14th September, 1935*. In their letter No. S.35961/01/35 of the 5th December, 1935*, their Lordships asked to be assured that it is not proposed to provide permanent accommodation greater than will be required when the partitioning of land has been completed. The Secretary of State has asked for the further comments of the High Commissioner on this aspect of the matter, but a reply has not yet been received. It is requested that in the meantime approval may be given for this provision to be made in the Estimates on the understanding that no expenditure will be incurred until the further observations of the High Commissioner have been received and considered.

Item 18.

Attention is invited to Treasury letter No. S.34609/0308 of the 23rd October, 1934†.

Item 21.

This represents the cost of maintaining the boring rig and crew for making the further bore-holes in the desert, the capital cost of which is to be found from the Colonial Development Fund. Reference is invited to Treasury letter No. S.34609/0274 of the 18th October, 1935‡. The boring rig and crew were previously engaged on the bore-holes at Meshetta and Remtha under the earlier scheme which was financed from the Colonial Development Fund.

Head XXIV. Police and Prisons Extraordinary.

Item 1.

The replacement each year of a number of the Ford trucks used by the Desert Patrol is necessary, as under desert conditions they deteriorate rapidly.

Item 5.

It will be seen from the High Commissioner's telegram of the 13th January§ that he now considers it essential, for the sake of internal security, to provide the Arab Legion with 250 additional rifles and magazines and the necessary reserve of ammunition, the cost of which is estimated at £2,400. This item should therefore be increased from £300 to £2,700.

Head XXV. Agricultural and Forests Extraordinary.

Items 1 and 2.

It will be seen from the Secretary of State's telegram to the High Commissioner of the 4th January|| and his reply of the 13th January§ that it is now proposed to apply for a grant from the Colonial Development Fund to meet this expenditure. These two Items should therefore be deleted.

Head XXVII.

Item 2.

All Trans-Jordan legislation is enacted in Arabic and it is essential that there should exist a reliable English translation of the laws of the country. A very useful volume of legislation up to and including 1930 was prepared some years ago by Mr. Seton, who was at that time the Judicial Adviser. The volume is, however, now becoming out of date, many amendments are needed to it and the enactments of the last five years require to be added. The Secretary of State endorses the views expressed in the Financial Adviser's memorandum as to the desirability of preparing and issuing a new up-to-date volume.

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* No. ~~77103/35 [Nos. 30 and 51]~~. 39 and 40 in Middle East No. 55.

† No. 37793/2/34 [No. 15]: not printed.

‡ No. 77093/4/35 [No. 11]: not printed.

§ No. ~~77029/86 [No. 2]~~. 25

|| No. ~~77029/85 [No. 11]~~. 24

Head XXVIII. Posts and Telegraphs Extraordinary.

Item 1.

The construction of the telephone and telegraph line from ~~the~~ Amman to Maan has been proceeding for some years and the Secretary of State agrees that it is desirable to take advantage of the improved financial position to complete the construction of this important link in the communication of the country.

Item 2.

It was originally intended to purchase this exchange with a loan from the Colonial Development Fund, but in these Estimates it is proposed that this loan should not be taken up and that the exchange should be purchased out of Trans-Jordan Government revenues. The Secretary of State appreciates that the Trans-Jordan Government would have liked to avoid the interest and amortization payments which they will have to provide in future years, but in view of the need for keeping the grant-in-aid as low as possible, the Secretary of State in his telegram of the 4th January* suggested to the High Commissioner that the original intention of obtaining the exchange by a loan from the Development Fund should be reverted to. The High Commissioner has agreed and this Item should therefore be deleted from the Estimates.

Head XXXI.

This Head provides for the anticipated expenditure out of grants from the Colonial Development Fund for the various schemes which have recently been sanctioned. Reference has been made in earlier paragraphs of this letter to the Treasury communications in which the schemes were approved.

12. I am to request that, subject to the amendments proposed in this letter, their Lordships will approve the Estimates as submitted by the Trans-Jordan Government; that they will sanction the issue of the full amount of the grant-in-aid (viz., £60,000) provided in respect of the current financial year; and that they will agree to make provision for a grant-in-aid of £58,000 in the Colonial and Middle Eastern Services Vote for 1936–37.

I am, &c.,

O. G. R. WILLIAMS.

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* No. ~~77029/85 [No. 11]~~. 24

Working Copy 22.

77029/36 [No. 4]. No. 27 PROOF.

MR. E. HALE (TREASURY)

to

MR. K. W. BLAXTER (COLONIAL OFFICE).

[*Answered by ~~No. 77029/36~~ [No. 28].]

DEAR BLAXTER, Treasury Chambers, S.W.1, 30th January, 1936.

We are seriously disturbed by the Trans-Jordan Estimates which accompanied Williams' letter of the 25th January*. The enclosed summary table really speaks for itself. Briefly, it is proposed to incur a deficit of approximately £100,000 in 1936–37 and to meet it by issuing this year's grant-in-aid in full, thereby creating a balance of £43,000 approximately at 1st April next, which together with a grant-in-aid of £58,000 will just about meet the deficit. But what is going to happen in 1937–38? The increased expenditure for which the 1936–37 Estimates provide is largely recurrent. In the following figures I have had to compare with the "Revised Estimates" owing to lack of details of the forecast. Of the increase of £20,000 in Ordinary Expenditure, practically £10,000 seems to be accounted for by new posts, upgradings and increments. You may say that of the remaining £10,000 some is non-recurrent, but against this has to be set the fact that a number of the new appointments, etc., are not to take effect until the 1st October. On the whole it appears that, if the 1936–37 Estimates are passed, we shall be practically committed to ordinary expenditure of the order of £345,000 in 1937–38. Extraordinary expenditure is no doubt susceptible of some reduction in 1937–38, but experience does not suggest that we can count on being asked for less than £20,000. On the other hand, it seems clear that the 1935–36 local revenue of £302,000 is to some extent a flash in the pan, due to exceptionally favourable crops. In estimating the local revenue for 1936–37 at £286,000, the High Commissioner says that he sees no grounds for expecting a much larger revenue in the next few years. The reference to drought in his latest telegram (No. 3 of 13th January†) adds point to this. It appears therefore that if we approve the increased scale of expenditure now proposed, we shall be in for a grant-in-aid of the order of at least £75,000 in subsequent years (i.e., £345,000 + £20,000 - £290,000 = £75,000).

An increased grant-in-aid is surely out of the question. Our policy, which we are not prepared to reverse, is to work for a progressive reduction in the grant-in-aid, and we are not willing to approve such an expansion of services as would be inconsistent with this. This means that increases of expenditure should depend upon increased revenue, and that revenue increases should go in part towards reducing the grant-in-aid. In fact we have treated Trans-Jordan very well. Between 1932–33 and the current year an increase of revenue of £48,000 (which is unlikely to be fully maintained) has been almost swallowed up by an increase of £44,000 in expenditure. Meanwhile there has been no reduction in the grant-in-aid since 1933–34. Excluding the cost of the British Resident, etc., the grants have been:—

	£
1932–33	65,528
1933–34	58,384
1934–35	60,000
1935–36	60,000 (voted).

In the circumstances we feel that the time has come to make a substantial reduction in the grant-in-aid, and that the reduction, once made, should be maintained. We propose therefore that next year's grant-in-aid should be £55,000. In considering this proposal, it should be borne in mind (1) that you are budgeting for an increase of £10,000 in the assistance to be obtained from the Colonial Development Fund, and (2) that we are probably going to have to provide over £30,000 a year for the Ottoman Public Debt for some years. If the grant-in-aid is to be kept down to £55,000, it is clear that the increases proposed in ordinary expenditure will have to wait. In view of the considerable increase in expenditure since 1932–33 and the other assistance referred to above, we do not think it unreasonable to ask that administrative development should mark time. Our proposal is that the estimates of ordinary expenditure should be recast so as not to exceed £325,000. This allows an increase of about £24,000 over 1934–35 and about £4,000 over the anticipated actual expenditure in the current year.

As regards extraordinary expenditure, we see no sufficient justification for raising the expenditure on Public Works Extraordinary above the O'Donnell figure of £10,000. This would mean reducing Extraordinary Expenditure to £21,700 in 1936–37.

If effect were given to these proposals, the result would be that a carry over of £8,000 on the 1st April would be sufficient, together with a grant-in-aid of £55,000, to bring

* No. ~~77029/36 [No. 8]~~. 26 † No. ~~77029/36 [No. 2]~~ 25

Trans-Jordan out with a balance of £2,000 at the 1st April, 1937. This suggests short-issuing the grant for the current year by £35,000. There are, however, certain outstanding liabilities to the Palestine Government, and we would be prepared to consider issuing more than £25,000 of the current year's grant for the purpose of repaying Palestine. This would relieve Head II of the Expenditure Estimate for 1936–37 and subsequent years, and would assist Trans-Jordan to meet our requirements in the matter of Ordinary Expenditure.

I have discussed this with Bridges before writing this letter. He is strongly of opinion that we cannot depart from our policy of effecting a progressive reduction in the grant-in-aid.

Yours &c.,

E. HALE.

Enclosure in No.

	1932–33 *Actual.*	*1933–34* *Actual.*	*1934–35* *Actual.*	*1935–36* *Forecast.*	*1936–37* *Estimates.*
	£	£	£	£	£
Ordinary Expenditure	289,985	296,581	300,898	321,110	346,148
Extraordinary Expenditure ...	15,287	16,851	36,125	28,366	40,549
Total Expenditure	305,272	313,432	337,023	349,476	386,697
Local Revenue	253,749	261,507	276,258	302,320	286,510
Deficit	£51,523	£51,925	£60,765	£47,156	£100,187

Working Copy

MR. K. W. BLAXTER (COLONIAL OFFICE)

to

MR. E. HALE (TREASURY).

[*Answered by No.* ~~77029/36 [No. 9]~~ 29]

DEAR HALE, Downing Street, S.W.1, 15th February, 1936.

We have been giving careful consideration to your letter No. S.35961/01/36 of the 30th January* regarding the Trans-Jordan Administration Estimates for 1936–37.

We have already told you by telephone that we are ready to acquiesce in the Treasury proposal to fix the grant-in-aid for next year at £55,000, so that point is settled: but when it comes to your suggestions in regard to the grant-in-aid for the current year, I confess that your proposal is not altogether to our liking!

To take first the question of the revenue which may be expected next year and in future years, we feel that the picture painted in your letter is too pessimistic. It is true that the High Commissioner stated in paragraph 5 of his despatch of the 19th December† that he did not think that there were grounds for expecting a much larger revenue in the next few years, but reading the paragraph as a whole, one gets a different impression, and we do not in any case think that the High Commissioner meant to say that he thought that revenue is not likely to rise above £286,000 for some years. All the information which we have is in fact entirely to the contrary. Looking back to previous years you will see that, with the exception of one year, revenue has steadily increased annually from the year 1929–30 onwards, and there is nothing whatever in the situation at the moment to suggest that this process will not continue for a time. In fact with the new development schemes starting, the more settled condition of the country, the better tax-collecting methods and improved administration generally, and the general tendency for conditions to improve everywhere at the moment after the depression, there is good reason to anticipate that revenue will increase slowly but steadily in the immediate future. This being so, we think that in considering the Estimates we can reasonably assume that the local revenue for 1936–37 will not be less than £300,000.

We are very loth indeed to agree, or to ask the High Commissioner to agree, to short-issuing the grant-in-aid during the current year by so large a sum as £35,000. We do not wish to contest the Treasury view that as a normal procedure when there is a considerable surplus balance an appreciable part at any rate of that sum should be used to reduce the grant-in-aid, but, as we explained in our letter, we are asking the Treasury to consider the position in respect of the current year and the year 1936–37 on a somewhat exceptional basis. It may be said that at the moment Trans-Jordan is just beginning to find its feet. It was not till 1928 or thereabouts that an ordered Administration was working: even after that time for some years raiding on a considerable scale continued over the frontiers and it was only about 1932–33 that, with the establishment of the desert patrol, peace and order were properly established in the country. Then there came a series of years when serious drought affected the country. It is only now that there are definite signs of a forward movement. There is at the moment an Arab Government in power which works amicably (contrary to some of its predecessors) with the British authorities, and peace such as has not been known before exists everywhere. The series of droughts seem to have broken, and the Trans-Jordan Government have found themselves during the last two years with a decent surplus contrary to their expectations. They have therefore (we think rightly) asked that on this occasion this surplus shall be used in order to make possible certain services which ought to have been carried out years ago but have had to be postponed, particularly services to improve the staffing of certain Departments where there has been serious shortage in the past and the upgrading of certain posts where justice demands some slight improvement in conditions. The proposal made in your letter will, if adopted, have the effect of preventing any of these things being carried out and will in effect establish the position that surpluses must be taken for the reduction of the grant-in-aid, however good a case may be made to the contrary. We feel that the result of putting this proposal into force will be to dishearten completely the local Administration, and it may well cause criticism of His Majesty's Government by the Amir and his Ministers.

We have, of course, before brought to your notice the need of keeping the political situation in mind in dealing with this part of the world and you are not likely to have disregarded that side of the question. None the less, I think that we ought, without wishing to overestimate the importance of these factors, to mention the following points.

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* No. ~~77029/36 [No. 4]~~ 27 † No. ~~77029/35 [No. 10]~~ 23

The Permanent Mandates Commission are taking considerably more interest in Trans-Jordan during the last year or two. Last year they asked us for a more extensive report on the territory and we anticipate a more searching examination of our activities there in future. We can, of course, show the Commission that His Majesty's Government are doing a good deal for the territory by way of grants from the Colonial Development Fund, etc., but if we have to say that certain much needed improvements have had to be postponed owing to His Majesty's Government having taken most of the surplus balance to reduce the grant-in-aid, we shall not appear in a very favourable light. The second point is that just at present there is a certain amount of Italian propaganda in Trans-Jordan and there have recently been riots both in Egypt and Syria. The Palestine Government are also somewhat uneasy as to the risk of trouble in Palestine. It is important at the moment to retain the goodwill of the Amir and his Government, and while we do not wish always to introduce the political argument when considering the Estimates, we do think that the effect of so drastic a cut as you propose may have a bad effect in Trans-Jordan at a time when we wish to avoid causes of friction. We have therefore thought it right to mention this.

We have now received a further telegram from the High Commissioner stating that, on the assumption that the grant-in-aid is issued in full this year, the anticipated surplus at the 31st March next is £51,330. This is an increase of some £8,500 upon the figure upon which we worked in our official letter to you. This should help a little in mitigating the severity of your proposals, but having regard to what we have said above, we should like to suggest something considerably less drastic than what you have suggested. Our proposal is that the Trans-Jordan Government should be asked to reduce their estimates of recurrent expenditure by £5,000 and their estimates of extraordinary expenditure by £10,000. It would be for them to make the necessary cuts in the Estimates. If this suggestion were adopted the Trans-Jordan Government would still be able to carry through much of what they have proposed and we do not think that if this suggestion is adopted there will be any likelihood of the Treasury having to find an increased grant-in-aid in future years.

On this basis, it will be possible to short-issue the grant-in-aid this year by £15,000, and with a grant-in-aid of £55,000 for next year we estimate that there will be a surplus at 31st March, 1937, of approximately £6,000.

Taking Enclosure V in our letter of the 25th January* as the basis, we get the following table:—

	£
Grant-in-aid, 1935–36	45,000
Surplus at 31st March, 1936	36,330
Revenue, 1936–37	340,840
Grant-in-aid, 1936–37	55,000
Total to 31.3.37	432,170
Expenditure, 1936–37, Ordinary	371,661
Expenditure, 1936–37, Extraordinary ...	54,366
	426,027
Estimated surplus, 31.3.37.	6,000 (approx.)

If the Treasury still think that it would be a good thing to pay off to Palestine the debt of £15,570 in respect of agricultural loans or the debt of £9,000 for the telephone circuit, the amount issued in respect of the grant-in-aid for this year could be increased accordingly in order that either one or the other of these debts could be discharged. It would not, of course, be possible to discharge both.

It is perhaps rather unusual to budget for a surplus of £6,000 at the 31st March, 1937, but since the point which particularly disturbs you is the risk that the grant-in-aid in future years may have to be increased, this £6,000 would help towards the fairly substantial surplus which we anticipate will be realized next year. The table above is worked out on the basis of local revenue next year not exceeding £286,000 but as I have said above, everything points to that figure being appreciably exceeded. If, as we fully anticipate, this happens and the figure realized is not less than £300,000, there will be a surplus of £20,000 (£14,000 + £6,000) which, with a suitable reduction of extraordinary expenditure next year, should ensure that the Treasury will not be committed to an increase in the grant-in-aid.

* No. ~~77029/36 [No. 8]~~. 26

There is one further point which I must mention and that is your reference in paragraph 3 of your letter to the provision required for the Ottoman Public debt. In our correspondence with the Treasury on this subject we made it clear that if we agreed to the discharge of this debt, the sums paid (if they could not be regarded as a final charge against the United Kingdom Exchequer) should be treated as a loan to Trans-Jordan not bearing interest. We could not agree that the special provision to be made for Ottoman Debt payment should be taken into consideration when fixing the grant-in-aid for the annual Estimates, with which it has no connexion.

Finally, I think it is worth while mentioning that last year when the current year's Estimates were under consideration the High Commissioner and Hall both pressed us to ask the Treasury to agree to an increase of £20,000 in the grant-in-aid in order to carry out certain much needed services. Hall said at that time that he had discussed the Estimates in detail with the British Resident and Assistant British Resident at Amman and had been much impressed with their difficulties. In order to carry out the instructions of His Majesty's Government to cut down expenditure, every Department was cut to the bone and even the most trivial and obviously desirable services had to be omitted. At that time we refused to put their proposal to the Treasury on the ground that any increase in the grant-in-aid was really out of the question. Now that conditions are improving the Trans-Jordan Government are hoping to carry out some at any rate of these services as proposed in 1936–37 Estimates without the necessity of asking for any increase in the provision made from Imperial funds.

If it will assist matters, we shall be very glad to have a discussion with you, when you have considered this letter.

Yours, &c.,

K. W. BLAXTER.

Working Copy 9

77029/36 [No. 9]. No. 29. PROOF.

MR. E. HALE (TREASURY)

to

MR. K. W. BLAXTER (COLONIAL OFFICE).

S.35961/01/36.

DEAR BLAXTER, Treasury Chambers, S.W.1, 26th February, 1936.

Thank you for your letter of the 15th February*, about the Trans-Jordan Administration Estimates for 1936–37.

2. We feel that it is not easy to deal with the questions immediately before us without a clearer understanding than exists at present as to the principles upon which we are to work in settling the amount of assistance to be given to Trans-Jordan from time to time. You say that the proposals made in my letter would in effect establish the position that surpluses must be taken for the reduction of the grant-in-aid, however good a case is made to the contrary. It was not our intention to go as far as this. Our attitude is based on the view that the scale and standard of administration in Trans-Jordan should in the end be such as the country will be able to support from its own resources. It follows that, as the country is developed and revenue expands, some part of the increase in revenue should go to reducing the assistance received from the United Kingdom. In fact, Trans-Jordan has had practically the entire benefit of the expansion in revenue for some years, but this cannot continue indefinitely without running the risk of saddling Trans-Jordan with an administration which is beyond the country's wealth. We ask you therefore to accept the principle that Trans-Jordan should aim at being self-supporting and that the right way to approach that object is by applying the expansion in revenue not only to administrative development, but also in part to a progressive reduction in the Exchequer assistance. We do not seek at this stage to lay down the rate at which this objective should be approached; but we maintain that, as revenue expands, there should be progress towards it. What disturbed us about your original proposals was that you seemed to contemplate progress in the opposite direction. So apparently do the High Commissioner and Hall.

3. To come now to the questions immediately before us, you accuse me of painting too pessimistic a picture. You gave us a revenue estimate of £286,510, and we accepted it. If, however, revenue next year is more likely to be £300,000, let us work on that assumption. On the basis of revenue of £300,000 and of your revised proposals it looks as though (assuming the issue in full of the grant for 1936) Trans-Jordan would have a balance of £20,000 as at the 1st April, 1937. We do not think that we should be justified in issuing £45,000 now in order to provide so great a balance a year hence. In these circumstances, we see no reason why both the debts to Palestine should not be paid off, and we will be prepared to agree to the issue of the grant-in-aid in full, provided that it is so applied as to £24,570. This leaves £35,430 for general purposes, which will give a surplus of £26,760 at the 1st April, 1936. If the revenue turns out as well as you expect, this would give you (if we were to issue next year's grant-in-aid in full) a balance of £10,000 at the 1st April, 1937.

4. As regards next year's expenditure your revised proposal, even assuming a local revenue of £300,000 involves a budget deficit of over £70,000 (i.e. a figure about £10,000 in excess of the average grant-in-aid of recent years, whereas in our view the increase in revenue should have led to a figure at least that amount *below* the average grant). Owing mainly to the unexpectedly favourable outturn of 1935–6, we happen to be in a position this year to finance a budget deficit considerably in excess of the grant-in-aid. But in the long run, the grant-in-aid must be approximately equal to the budget deficit. Extra-ordinary expenditure is no doubt capable of some compression in future, but the increase in ordinary expenditure commits us to a considerable extent for future years. We feel no little reluctance in approving a level of expenditure which, even allowing for some compression of extraordinary expenditure, would require a considerable expansion of revenue to bring the budget deficit within the grant-in-aid. If we are to agree in principle to ordinary expenditure up to £341,148 (less any savings, apparently £1,214, resulting from the repayment of Palestine loans) and extraordinary up to £30,549 (excluding in both cases C.D.F. and T.J.F.F.), it must be on the understanding that the general policy set out in paragraph 2 is accepted, and that in your view the prospects of an expansion of revenue and the possibility of compression of non-recurrent expenditure are sufficiently clear to enable the commitments involved to be undertaken consistently with that policy.

Yours, &c.,

E. HALE.

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* No. ~~77029/36 [No. 6]~~. 28

Working Copy.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

[*Answered by No* ~~77029/36 [Nos. 30 and 43].~~ 34 and 39.

(Confidential.)

SIR, Downing Street, 7th March, 1936.

I have the honour to refer to your confidential despatch of the 19th of December, 1935*, my telegram No. 1 of the 4th of January†, and your telegram No. 3 of the 13th of January‡ regarding the Trans-Jordan Administration Estimates for 1936–37.

2. After the receipt of your telegram of the 13th of January‡, the draft Estimates were forwarded to the Lords Commissioners of the Treasury for their consideration. A copy of the official letter to the Treasury of the 25th January§ and of subsequent semi-official correspondence‖ is enclosed.

3. You will see that their Lordships have expressed concern at the proposed increased expenditure and that, as a result of the correspondence, certain variations in your proposals have been under discussion. The proposals made in the first instance by the Treasury would have involved a drastic reduction in expenditure but, as a result of further representations to them, they are now prepared to modify their original proposals on certain conditions.

4. In order to meet the criticisms advanced by the Treasury on the Estimates, it was proposed to them that the Trans-Jordan Government should be invited to make a reduction of £5,000 in the estimates of recurrent expenditure and of £10,000 in the estimates of extraordinary expenditure. The Treasury have now indicated that, on certain conditions, they may be ready to accept estimates of this order. The conditions which they make are first, that the principle must be accepted that Trans-Jordan should aim at being self-supporting and that the right way to approach that object is by applying expansion in revenue not only to administrative development but also in part to a progressive reduction in the Exchequer assistance. The Treasury do not seek at this stage to lay down the rate at which this objective should be approached, but they maintain that as revenue expands there should be progress towards it. The second condition is that they should be satisfied that the prospects of an expansion of revenue and the possibility of compression of non-recurrent expenditure are sufficiently clear to enable the scale of expenditure now proposed to be undertaken without running the risk of saddling Trans-Jordan with an administration which is beyond the country's wealth.

5. It appears to me that, having regard to the position for some years past, and to the factors mentioned in the letter to the Treasury of the 15th February¶, there is a good prospect of revenue steadily increasing. In considering the position, however, it is essential to have regard to the fact that there is a serious risk of a further drought this winter which may affect adversely the revenue anticipated for 1936–37, and in preparing your comments upon the conditions laid down by the Treasury, regard will no doubt be had to this contingency.

6. I shall be obliged if you will now consider the position in the light of the enclosed correspondence. In the first place, it is necessary to examine the views expressed by the Treasury, and I request that you will inform me whether you and the Trans-Jordan authorities are prepared to accept the general principles outlined in Mr. Hale's letter of the 26th February**. In my view, the principles outlined in that letter are reasonable and should be accepted. You will no doubt consider also the conditions referred to in the last paragraph of that letter. The Treasury will, of course, wish to examine the Estimates in detail, but in effect they state that they may be ready to accept in principle recurrent expenditure up to a figure of, say, £340,000, and extraordinary expenditure up to a figure of, say £30,000 (excluding the Trans-Jordan Frontier Force and Colonial Development Fund expenditure) in respect of the year 1936–37, provided that they are satisfied in respect of the points mentioned in their letter of the 26th February**. It is desirable that I should be furnished with a full expression of the views of yourself and the Trans-Jordan authorities on these points before I refer the question to the Treasury again. If you are unable to give me an assurance that there is a reasonable expectation that the Treasury conditions will be fulfilled, I am of opinion that some reduction in the Estimates greater than the £15,000 now proposed should be made.

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* No. ~~77029/35 [No. 10]~~. 23
§ No. ~~77029/36 [No. 3]~~. 26

† No. ~~77029/35 [No. 11]~~. 24
‖ No. ~~77029/36 [Nos. 4, 6 and 9]~~.
** No. ~~77029/36 [No. 9]~~. 29

‡ No. ~~77029/36 [No. 2]~~. 25
¶ No. ~~77029/36 [No. 6]~~. 28

27. 28 and 29.

7. The provision to be inserted in the Colonial and Middle Eastern Services Vote for the grant-in-aid for 1936–37 has been fixed at £55,000. As regards the current year, the proposal which I now make is that the grant-in-aid should be issued in full on the understanding that the sum of £24,570 thereof shall be used for the purpose of repaying forthwith to Palestine the two debts in respect of agricultural loans and the telephone circuit. I shall be obliged if you will inform me by telegraph not later than the 25th March whether you accept this proposal, in order that arrangements may be made for the remaining part of the grant-in-aid to be paid to the Crown Agents for the Colonies before the 31st March.

8. As regards the other points dealt with in this despatch and the necessary revision of the Estimates, I shall await your reply by despatch.

9. You will no doubt make allowance in the revised Estimates not only for the reductions required as a result of the correspondence with the Treasury, but also for all adjustments and changes which may be required as a result of developments since the Estimates forwarded with your despatch of the 19th December, 1935*, were prepared. It will also be convenient if I may have your comments upon any points which are raised in the official letter to the Treasury of the 25th January†.

10. As regards your confidential despatch of the 4th of January‡, your confidential despatch of the 22nd of January§ and your confidential despatch of the 27th of February‖, in which you request approval for certain items of expenditure in advance of the sanction of the Estimates as a whole, you will appreciate that in view of the considerations mentioned in this despatch, it is not possible at the present stage to comply with your request. I am now proposing to you certain reductions in the Estimates and you may also find it necessary to make certain further reductions above those which I have suggested. It will therefore be necessary to omit a considerable number of items of expenditure, and in the circumstances, while I regret the delay, I feel unable to convey approval for any specific items until the whole position has been reviewed and you have forwarded revised Estimates. If you will, however, when forwarding the revised Estimates, indicate any items of expenditure for which you particularly desire early approval, I will endeavour to send you a reply in regard to those specific items in advance.

I have, &c.,

J. H. THOMAS.

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* No. ~~77029/35 [No. 10]~~. 23 † No. ~~77029/36 [No. 3]~~. 26 ‡ No. 77029/36 [No. 1]: not printed.
§ No. 77029/36 [No. 5]: not printed. ‖ No. 77029/36 [No. 11]: not printed.

Working Copy

77029/36 [No. 16]. No. 31. **PROOF.**

MR. K. W. BLAXTER (COLONIAL OFFICE)

to

MR. E. HALE (TREASURY).

[*Answered by No.* ~~*77029/36 [No. 19]*~~.] 33

DEAR HALE, Downing Street, S.W.1, 25th March, 1936.

Will you please refer to our letter of the 11th March* enclosing a copy of our despatch of the 7th March† to the High Commissioner for Trans-Jordan regarding the Estimates of the Trans-Jordan Administration for the year 1936–37?

We have now received a telegram‡ from the High Commissioner, a copy of which I enclose, accepting the proposal made in paragraph 7 of the despatch, but intimating that the total of the two debts due to Palestine is £21,400 and not £24,570.

If, therefore, the grant-in-aid is issued in full this year there will be an additional sum of approximately £3,000 available to increase the surplus at the 31st March next. Two courses are open to us, either to issue the full £60,000, or to issue £57,000 only. The latter course would keep the position generally in line with the proposals which we have put to the High Commissioner in our despatch, but on the other hand, we think there is something to be said for issuing the full £60,000 and letting the Trans-Jordan Government have a slightly larger surplus to play with in framing their revised proposals. We do not think that this will prejudice the position of the Treasury as there will be full opportunity to regulate and control the position when the revised proposals are received.

We have informed the High Commissioner in paragraph 6 of the despatch that if the Trans-Jordan Government are unable to give the assurances which you need, some reduction in the Estimates, greater than the £15,000 which we have proposed, should be made. We do not therefore know at present what will be the upshot of our despatch of the 7th March†, and we therefore suggest that the full amount of the grant-in-aid (£60,000) should be issued on the understanding that the whole position will be reviewed further when we get the reply to our despatch.

Do you agree?

Yours, &c.,

K. W. BLAXTER.

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* No. 77029/36 [No. 13]: L.F. not printed. † No. ~~77029/36 [No. 12]~~. 30
‡ No. 77029/36 [No. 15]: not printed.

Trans-Jordan Estimates—(C.28409/113). 12.

Working Copy

77029/36 [No. 18]. No. 32. PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 7 p.m., 26th March, 1936.)

TELEGRAM.

[*Answered by No.* ~~77029/36 [No. 20].~~ 34]

No. 19. Your telegram No. 13 of the 21st March*. Administration Estimates 1936–37. Figure of £21,400 does not correspond with position shown in paragraph 2 of finance section of draft annual report to League, where there is no mention of telephone circuit loan, and outstanding amount of 1933 agricultural loan is given as £6,250. Please telegraph urgently how figure of £21,400 is arrived at, giving precise amounts of 1933 agricultural loan and telephone circuit loan which have to be repaid, and amounts for insertion in annual report as debt at 31st December last. Should not loan from Palestine for telephone circuit be included in annual report as debt outstanding at 31st December, 1935?

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* 77029/36 [No. 15]: not printed.

Trans-Jordan Estimates—(C.28409/112). 12.

Working Copy.

77029/36 [No. 19]. No. 33. PROOF.

MR. E. HALE (TREASURY)

to

MR. K. W. BLAXTER (COLONIAL OFFICE).

S.35961/01/36.

DEAR BLAXTER, Treasury Chambers, 27th March, 1936.

Thank you for your letter of the 25th March* about the current year's grant in aid to Trans-Jordan. In all the circumstances we agree that the full £60,000 should be issued, notwithstanding that the Palestine loans to be paid back amount not to £24,570 but to £21,400.

I am sending a copy of this letter to Boyse.

Yours, &c.,

E. HALE.

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* No. ~~77029/36 [No. 10]~~ 31

Working Copy

77029/36 [No. 20]. No. 34 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 11.15 a.m., 29th March, 1936.)

TELEGRAM.

[*Answered by No. 77029/36 [Nos. 21 and 22]*.] 35 and 36.

No. 16. 29th March. Your telegram No. 19* ~~(18)~~. Approximate figures of £P.21,400 given in my telegram No. 13† should be amended to £P.21,881 made up as follows begins:—Telephone Circuit loan £P.6,131 (? 6,231); 1933 Agricultural Loan at 1st April 1935 £P.15,750 of latter debt a sum of £P.9,500 was repaid between April and December 1935 leaving a balance of £P.6,250 (? 6,450) at 31st December 1935 as shown in draft annual report. The balance of £P.6,250 (? 6,450) was subsequently repaid in full to Palestine in January 1936 the conditions laid down in paragraph 7 of your confidential despatch of the 7th March‡ that this debt should be paid off having thus in fact already been fulfilled.

2. Total public debt at 31st December 1935 should be shown as £P.19,434 made up of two figures of £P.7,053 and £P.6,250 already shown in draft annual report plus £P.6,131 for Telephone Circuit Loan. Extent of liability of latter loan was not notified to Trans-Jordan until 17th March 1936 hence its exclusion by the British Resident from Draft report.

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* No. ~~77029/36 [No. 18]~~ 32 † No. 77029/36 [No. 15]: not printed. ‡ No. ~~77029/36 [No. 19]~~ 30

Working Copy

77029/36 [No. 21]. No. 35 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 4 p.m., 2nd April, 1936.)

TELEGRAM.

No. 21. Your telegram No. 16 of 29th March*. Trans-Jordan Administration Estimates 1936–37. Further £24,000 was issued to Crown Agents for account of Trans-Jordan Government on 31st March. Total grant-in-aid issued for 1935–36 is therefore £42,000. Despatch follows by early air mail.

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* No. ~~77029/36 [No. 20]~~. 34

Working Copy.

77029/36 [No. 22]. No. 36 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Confidential.)

SIR, Downing Street, 3rd April, 1936.

I have the honour to refer to your telegram No. 16 of the 29th of March* and connected correspondence regarding the Trans-Jordan Administration Estimates for the year 1936–37.

2. While the position is not entirely clear from the telegraphic correspondence, I assume that the debt of £15,570 due to the Palestine Government in respect of the 1933 Agricultural Loan has been discharged out of moneys received from the Agricultural Bank, and in these circumstances it does not appear necessary that the grant-in-aid for 1935–36 should be issued in full in order to provide money for the repayment of this debt. After consultation, therefore, with the Lords Commissioners of the Treasury, it was decided to issue a further £24,000 only from the grant-in-aid. A sum of £18,000 had previously been issued and the total issue for the year 1935–36 is therefore £42,000.

I have, &c.,

J. H. THOMAS.

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* No. ~~77029/36 [No. 20]~~. 34

Working Copy

77029/36 [No. 37]. No. 37 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 6th July, 1936.)

[*Answered by No.* ~~77029/36 [No. 41].~~ 40

(Secret.)

SIR,

Jerusalem, 25th June, 1936.

I have the honour to address you on the subject of the provision for Secret Service expenditure, Arab Legion, which forms Item 78 of Head XVIII–A of the draft Estimates of the Trans-Jordan Government for the current financial year.

2. The Officer Commanding, Arab Legion, has represented that this provision, namely £P.400, the amount which has been allotted for this purpose in the approved Estimates in preceding years, is inadequate in view of the present abnormal situation.

I concur, and recommend that sanction should be given for the increase of the Item in question by £P.500, to be reappropriated from Item 4, Expropriation of Land for the Arab Legion Exercise Ground, of Head XXIV, Police and Prisons Extraordinary, of the draft Estimates.

3. As the matter is one of urgency I have authorized the Officer Commanding to incur expenditure, as may be necessary, against this addition to the vote, in anticipation of your approval.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

Working Copy

 No. 38 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 9.35 p.m., 17th July, 1936.)

TELEGRAM.

[*Answered by No.* ~~77029/36 [No. 45].~~ 41

No. 37. 17th July. Secret. I consider it essential that the Arab Legion should be rendered more mobile. At present their only transport excluding desert patrols is three Ford trucks. Hired transport cannot be relied on in emergency both because of possibility of transport strike and the fact that civilian cars are not always available in centres outside Amman.

I propose that the Legion should purchase 6 Ford V.8 " Station Wagon " from Alexandria Motor Company at total cost of £1,110 including freight. One car would be sent to each of the 4 districts Ajlun Belka Kerak Maan and two would be kept in reserve at Amman. Both initial and recurrent costs can be covered by savings on revised draft estimates which were enclosed in my despatch secret of the 16th July*. Details of savings will be sent by despatch. Purchase of stores from Alexandria is permissible under Transjordan Regulations.

Greater mobility making possible immediate despatch of reinforcements to any disturbed areas will be of utmost value in times of emergency and will also be of great advantage in normal administration.

Shall be grateful for authority by telegraph to proceed with the purchase of the cars.

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* No. ~~77029/36 [No. 48]~~. 39

Working Copy

77029/36 [No. 43]. No. 39 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 21st July, 1936.)

[*Answered by No. ~~77029/36 [No. 48].~~* 42

(Secret.)

SIR, Jerusalem, 16th July, 1936.

I have the honour to refer to your predecessor's confidential despatch of the 7th March, 1936*, and connected correspondence on the subject of the Estimates of the Trans-Jordan Administration for the financial year 1936–37.

2. The general conclusion reached in that despatch and its enclosures was that the Trans-Jordan Government should be permitted to budget for recurrent expenditure up to a maximum of about £P.340,000, and for extraordinary expenditure of £P.30,549, provided that they were willing to accept the general policy set out in Treasury letter No. S.35961/01/36 of the 26th February, 1936†, and were able to satisfy the Treasury that the prospects of an expansion of revenue and the possibility of compressing non-recurrent expenditure were sufficiently clear to enable the commitments involved to be undertaken without running the risk of saddling Trans-Jordan with an administration which is beyond the country's resources.

3. The principle of the policy in question is that Trans-Jordan should aim at being self-supporting, and that the right way to approach that object is by applying the expansion in revenue not only to administrative development but also in part to a progressive reduction in the Exchequer assistance: it is not desired at the present stage to lay down the rate at which this objective should be approached, but as revenue expands there should be progress towards it.

The Trans-Jordan Government unreservedly accept this principle. I approve their attitude, and agree with the view expressed in paragraph 6 of the despatch under reference, to the effect that the principle is reasonable.

4. As regards the second condition attached to Treasury approval of the revised totals for the Estimates, the British Resident, in consultation with the Trans-Jordan authorities, has submitted the considerations set out in the annexed memorandum‡, in support of the contention that the assurance asked for in the concluding lines of Mr. Hale's letter of the 26th February† may properly be given. I have the following observations to make on the memorandum:—

(i) The particulars required for examination of the claim for an increase of the share of Palestine customs duty paid to Trans-Jordan are not yet complete, but on the information so far available I share the expectation of the British Resident that a considerable increase will be found to be justified.

(ii) Article 5 (*b*) of the Land Tax Law limits the total assessment of the tax to £P.10,000 more than the total assessment of the former taxes which it replaced. New assessments or increases of existing assessments, resulting from development of the land, will therefore require special legislation. This does not apply to the southern part of the Jordan Valley, where the development schemes will mainly involve State land to be transferred to the cultivators: under Article 13 of the Land Tax Law the new assessments on such lands will be additional to the maximum prescribed by Article 5 (*b*).

On the other hand there are no real grounds for expecting that the succession of bad harvests in recent years will be followed by a cycle of good years. The disastrous scale of the current year's failure is, indeed, exceptional, but I fear that it must be expected that a considerable measure of remission will continue to be the rule rather than the exception.

(iii) The question of the Trans-Jordan share of the profits on the Palestine currency is still under discussion, but it appears likely that the Trans-Jordan authorities will be able to substantiate their claim for a payment in the region of £P.9,000 for the current year.

(iv) As regards the sale of State Domains, and the acquisition by the Trans-Jordan Government of increasing areas of forest land I would remark that although these areas are valuable the revenue which they produce in the form of licence fees is not likely to increase greatly.

* No. ~~77029/36 [No. 12]~~. 30 † No. ~~77029/36 [No. 9]~~. 29 ‡ Not printed.

5. Turning now to the detailed Estimates, I transmit herewith a statement of changes* which the British Resident, in consultation with the Trans-Jordan Government, recommended should be made to the draft Estimates enclosed in my confidential despatch of the 19th December, 1935†. Detailed explanations are given in the accompanying copy of a memorandum* by the Financial Adviser. The effect of these changes is to reduce the estimated recurrent expenditure, excluding revotes, by £P.4,721 to £P.340,993, and the estimated extraordinary expenditure excluding revotes and payments from grants from the Colonial Development Fund, by £P.7,994 to £P.32,555.

These figures exceed those mentioned in paragraph 2 of this despatch. The following considerations are to be taken into account in explanation of the differences:—

(*a*) The ordinary expenditure includes provision amounting to £P.660 for certain staff which will be employed on behalf of the Iraq Petroleum Company for customs duties at the pumping station at H.4, and on behalf of the municipalities for audit work. An equivalent amount has been included in Item 16 of Head III of the revenue estimates.

(*b*) The observation in paragraph 7 (ii) of my confidential despatch of the 19th December, 1935†, relative to the Civil List for the current financial year, to the effect that the increase of the Amir Talal's allowance to £P.1,000 would bring the total of items 1 (*a*) and 1 (*b*) of Head I to £P.13,000, was erroneous. The permanent increase of £P.180 approved in the year 1935–36 (see paragraph 11 of Mr. M. MacDonald's confidential despatch of the 28th June, 1935‡) increased the approved provision for His Highness' personal allotment, under Item 1 (*a*), to £P.12,180, and this figure was correctly shown in the draft Estimates submitted by the Trans-Jordan Government. The increase of the Amir Talal's allowance to £P.1,000 thus raised the total of Items 1 (*a*) and 1 (*b*) to £P.13,180. The final result of the recommendations made in paragraph 7 (ii) of my confidential despatch of the 19th December† was correctly stated in paragraph 8 (*b*) thereof, namely the increase of Item 1 (*a*) by £P.394, from £P.12,180 to £P.12,574, and the decrease of Item 1 (*b*) by £P.105, from £P.1,320 to £P.1,215. The figure of estimated recurrent expenditure, on which the decision to make certain reductions was based, should therefore have been £P.180 greater than the figure which was actually taken into consideration.

(*c*) In paragraph 2 (*c*) of my telegram of the 13th January, 1936§, I mentioned the necessity of rebuilding the bridge by which the Jerusalem–Amman road crosses the Wadi Jari'a. At that time the cost was estimated to be £P.2,000 but when a more detailed estimate was subsequently prepared it was found, as explained in paragraph 7 of my confidential despatch of the 27th February‖, that the bridge would cost £P.2,600. This work is one of those which have been deleted, so that the true figure of the reduction of extraordinary expenditure is £P.8,594, from £P.41,149 to £P.32,555.

(*d*) In addition, if conditions had been normal I should have been willing to recommend the excision from the programme of Public Works Extraordinary of the proposed expenditure of £P.2,000 on the Wadi Mujib road, provision for which was made under Item 19 of Head XXIII of the draft Estimates. In the event, however, it has been necessary to provide relief works in certain parts of Trans-Jordan on account of the serious failure of the crops. Among the works approved by your telegram No. 38 of the 17th June¶ is the improvement of the road crossing the Wadi Mujib, at an estimated cost of £P.3,500.

6. Subsequently to the compilation of the statement of proposed changes which forms the second enclosure* in this despatch, the completion of the inspection of the crops throughout Trans-Jordan revealed the fact that the situation was much more serious than had been supposed. A copy of a report* by the Financial Adviser, who was responsible for the inspection in the northern part of Trans-Jordan, is attached. Particulars of the increased allowances which must be made for remissions of taxation and other reductions of revenue were given in my secret despatch of the 27th June**. The net result of these further changes is an estimated deficit of £P.29,226.

7. In my despatch referred to in the preceding paragraph I informed you that the British Resident had been able to propose reductions of expenditure totalling £P.15,295. Particulars of these proposals are given in the attached Schedule A*.

* Not printed. † No. ~~77029/35 [No. 10]~~ 23 ‡ No. 77103/35 [No. 21]: not printed.
§ No. ~~77029/36 [No. 2]~~ 25 ‖ No. 77029/36 [No. 11]: not printed.
¶ No. 77034/36 [No. 12]: not printed. ** No. 77034/36 [No. 16]: not printed.

The possibility of still further reductions has been considered, and I now propose that the further items shown in the attached Schedule B*, totalling £P.10,636, should also be omitted from the Estimates for the current financial year. By this means the deficit, after taking into account the agreed grant-in-aid of £P.55,000, would be £P.3,295. It will be understood, however, that these further reductions will entail the abandonment for the current financial year of the urgently needed improvements of the administration which formed the subject of earlier correspondence in connexion with these Estimates, as well as of many important extraordinary works. They represent the maximum reduction which I can possibly advocate, and I am recommending them because I consider that in the face of such a disaster as an almost complete failure of the crops it is the duty of the local administration to try in every way to meet the situation by adjusting their Estimates, before asking for a further grant-in-aid.

8. It is difficult at present to foresee what additional grant it will be necessary to ask for. If the disturbances in Palestine are prolonged, the possibility of disposing of the Trans-Jordan grape harvest may be seriously affected, and in this event further relief measures beyond those approved in your telegram No. 38† may be needed. Additional expenditure on public security measures may also become necessary. It is also possible that the allowance of £P.7,000 for a general shortfall of revenue, mentioned in paragraph 3 of my secret despatch of the 27th June‡, may prove to have been underestimated. It is also necessary to provide for a working balance at the end of the financial year.

Making allowance for these different requirements it appears that a further grant of from £P.10,000 to £P.15,000 may be required, and I would therefore suggest that consideration should be given to the possibility of earmarking for Trans-Jordan the sum of £P.18,000 by which the grant for 1935–36 was short issued.

9. I attach schedules* showing, in summary form, the different revised estimates which have been proposed at different stages, ending with the proposals made in this despatch.

10. With regard to paragraph 10 of the despatch§ under reference, I shall be grateful if advance approval may be given for the following items of expenditure:—

		£P.	
VII. Ministry of Justice.			
6.	Accountant, 13–1–16	156	*See* High Commissioner's confidential despatch of the 27th February, 1936.‖
XI. Public Health Department.			
47.	3 Anti-Malarial Inspectors at £P. 7 per month each ..	252	New posts.
66.	Anti-Malarial Measures	200	The excess over the approved provision.
XII. Education.			
64.	Commission on sale of School of Arts and Crafts Products.	60	New item.
XIII. Agriculture, Forests and Veterinary Department.			
53.	Seed Propagation	130	New item.
XV. Public Works Department.			
3.	Technical Assistant, 26–1–31	312	*See* High Commissioner's confidential despatch of the 27th February, 1936.‖
XV.A. Public Works Recurrent.			
7.	Maintenance of Roads	1,638	
XVI. Posts and Telegraphs Department.			
28.	3 Linesmen at £P. 6 per month each	216	
40.	Stores and Equipment	940	Revote.
XVII. Lands Department.			
40.	Postage, Telegrams and Telephones	100	The excess over the approved provision.
41.	Technical Equipment	50	
XVIII.A. Police.			
92.	Ammunition	450	Revote.
XX. Audit Department.			
5 (*a*).	Clerk, 13–1–16	130	New posts from the 1st June, 1936.
6 (*a*).	Clerk, 9–1–12	90	

* Not printed. † No. 77034/36 [No. 12]: not printed. ‡ No. 77034/36 [No. 16]. Not printed
§ No. ~~77029/36 [No. 12]~~ 30 ‖ No. 77029/36 [No. 11]: not printed.

		£P.	
XXII.	*Public Works Extraordinary.*		
17.	Accommodation for the Lands Department, Amman..	3,400	*See* High Commissioner's confidential despatch of the 27th February, 1936.*
24.	Well sinking by hand	58	Revote.
25.	Repairs to the Ain Janna Storm Water Channel in Ajlun	200	Revote.
XXVI.	*Public Health Extraordinary.*		
2.	Purchase of disinfectors	280	Revote.
XXVIII.	*Posts and Telegraphs Extraordinary.*		
1.	Tafileh–Ma'an Line	3,000	

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

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* No. 77029/36 [No. 11]: not printed.

Working Copy

77029/36 [No. 41]. No. 40 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Secret.)

SIR,

Downing Street, 22nd July, 1936.

I have the honour to acknowledge the receipt of your secret despatch of the 25th June* and to convey to you my covering approval for the re-appropriation of £P.500 from Head XXIV, Item 4, Expropriation of Land for the Arab Legion Exercise Ground, to Head XVIII A, Item 78, Secret Service Expenditure Arab Legion, of the draft estimates of the Trans-Jordan Administration for the current financial year.

I have, &c.,

W. ORMSBY GORE.

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* No. ~~77029/36 [No. 37]~~ 37

Working Copy

77029/36 [No. 45]. No. 41 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 8.30 p.m., 31st July, 1936.)

TELEGRAM.

[*Answered by No. 77029/36 [No. 52]: not printed.*]

No. 49. Secret. Your telegram of 17th July No. 37*. Proposed expenditure of £1,110 on six Ford V.8 cars for Arab Legion approved.

As regards your despatch of 22nd July No. 94† I assume that 5 Ford chassis and spare parts for Desert Patrol cannot be purchased from Alexandria at lower cost. Please confirm.

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* No. ~~77029/36 [No. 38]~~. 38

† No. 77100/36 [No. 1]: not printed.

Working Copy.

77029/36 [No. 48]. No. 42 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 6 p.m., 12th September, 1936.)

TELEGRAM.

[*Answered by No. ~~77029/36 [No. 58]~~.] 45

No. 58. Trans-Jordan Estimates 1936–37. Consideration has been given to your secret despatch of the 16th July*. I regret that I do not feel able in present circumstances to support Estimates on the scale proposed. I appreciate that considerable reductions have been made, but all indications are that if Estimates on scale proposed are approved large increase in grant-in-aid will be required this year. When Estimates were submitted to Treasury in January disturbances in Palestine had not commenced and I felt justified in fully supporting Trans-Jordan Government's desire to take opportunity of substantial surplus to carry through certain much needed increases in staff and regrading of posts, etc., but since then the situation has changed and I feel that it is essential to wait till the situation is clearer before approving a substantial increase in recurrent expenditure which will have to be continued in future years.

It is indicated in your despatch under reference that there will be a deficit of £3,500 and your despatch of 24th August Secret "A"† asks for authority for expenditure on relief works of a further £8,000 and foreshadows considerable short fall in Customs revenue. There is also additional expenditure of £1,110 for trucks for Arab Legion and £500 approved in my despatch secret of 22nd July‡. There is also £5,000 (possibly £10,000) approved for special expenditure. This last item is to be charged in the first place to Palestine funds but if you have in mind to recommend that this should ultimately be charged to Trans-Jordan funds then the possibility of a further increase of grant-in-aid to cover this item must also be taken into account.

I am not clear whether the additional expenditure on reserve for Arab Legion—see your telegram of 4th June No. 26§—is included in the final summary of position as given in Enclosure VII to your despatch. Covering approval has been given by Treasury for this expenditure and while not able to accept argument used in paragraph one of your telegram of 3rd July No. 35‖ they are prepared in all the circumstances to agree that no claim should be made for this expenditure against Palestine Government.

In view of the uncertainty of the position and the risk that the budget of Trans-Jordan may be affected still further during the coming months as a result of the position in Palestine I am of opinion that the considerable additions made to the Estimates both in respect of recurrent and extraordinary expenditure must be omitted save in the case of small number of items where additions to or changes in last year's Estimates are absolutely essential. I must therefore regretfully suggest that, save in a minimum number of cases where changes are essential, all increases in staff and regrading of posts should be omitted and that additional extraordinary expenditure should also be cut out save in the case of revotes and any special items for which provision is essential. Extraordinary expenditure should not exceed the figure for 1935–36.

Unless therefore you see strong objection I shall be obliged if the Estimates may be revised in the light of the foregoing comments. It will be a convenience if a completely new set of Estimates can be prepared together with a complete and up-to-date memorandum by the Financial Adviser. Otherwise with so many changes it is difficult to follow the position clearly. If revised Estimates can be supplied framed in this manner by say the end of September I will endeavour to obtain urgent Treasury approval for them.

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* No. ~~77029/36 [No. 48]~~. 39

‡ No. ~~77029/36 [No. 41]~~. 40

† No. 77034/36 [No. 25]: not printed.

§ No. 77133/36 S. [No. 3]: not printed.

‖ No 77133/36 S. [No. 6]: not printed.

Trans-Jordan Estimates—(C.28409/120). 12.

Working Party.

77029/36 [No. 53]. No. 43. PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by No.* ~~77029/36 [No. 56].~~ 44

SIR, Downing Street, S.W.1, 1st October, 1936.

I am directed by Mr. Secretary Ormsby Gore to refer to Mr. Blaxter's letter to Mr. Wardley of the 16th September* and connected correspondence regarding the Trans-Jordan Administration Estimates for the current financial year.

2. Provision is made under item 1 of Head XXIV of the original Estimates for the purchase of new cars for the desert patrol of the Arab Legion. It is now proposed, in order to save time and in order that spare parts may be obtainable more quickly, to purchase these cars from Alexandria, and the High Commissioner has asked for authority to proceed with this purchase in advance of the approval of the Estimates. The cost of purchase at Alexandria should result in a considerable saving of cost.

3. These purchases represent the normal replacement of vehicles for the Arab Legion which is required at frequent intervals owing to the rough nature of the ground over which the cars operate, and in view of the importance of maintaining the Arab Legion at a high state of efficiency at the present time, I am to request that their Lordships will now give their approval for the expenditure provided for under item 1 of Head XXIV of the Estimates as originally submitted, in advance of the consideration of the draft Estimates as a whole.

I am, &c.,

K. W. BLAXTER.

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* No. 77029/36 [No. 49]: not printed.

Working Copy

77029/36 [No. 56]. No. 44 PROOF.

TREASURY

to

COLONIAL OFFICE,

S.37616.

SIR, Treasury Chambers, 7th October, 1936.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Blaxter's letter of the 1st instant* relative to the provision made under item 1 of Head XXIV of the Draft Trans-Jordan Administration Estimates for the current financial year.

Under this item provision was made, to an amount of £2,100, for the purchase of seven new cars for the desert patrol of the Arab Legion. It is now proposed, in order to save time and in order that spare parts may be obtainable more quickly, to purchase these cars from Alexandria, and the High Commissioner has asked for authority to proceed with this purchase in advance of the approval of the Estimates. The cost of purchase at Alexandria should, it is stated, result in a considerable saving of cost.

It is further represented that these purchases constitute the normal replacement of vehicles for the Arab Legion which is required at frequent intervals owing to the rough nature of the ground over which the cars operate, and that it is of great importance at the present time to maintain the Arab Legion at a high state of efficiency.

In reply I am to request you to inform Mr. Secretary Ormsby Gore that My Lords approve expenditure within the amount provided under item 1 of Head XXIV of the Estimates as originally submitted, in advance of the consideration of the draft Estimates as a whole.

I am, &c.,

R. V. NIND HOPKINS.

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* No. ~~77029/36 [No. 53]~~. 43

Working Copy

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 12th October, 1936.)

(Secret.)

SIR, Jerusalem, 30th September, 1936.

I have the honour to refer to my telegram No. 37 of the 17th July, 1936*, and connected correspondence regarding the purchase of additional mechanical transport for the Arab Legion.

2. The capital expenditure involved is estimated to be:—

	£P.
Cost of 6 cars, including freight	1,110
Construction of 4 garages by prison labour	100
	1,210

It was proposed that this amount should be found by the following savings on the revised draft Estimates which were enclosed in my secret despatch of the 16th July†:

Head	*Item*		£P.
XV A	4	Saving on rent of Police Post at Ma'an	12
XVIII A	44	Personal Emoluments	300
	70	Forage allowances	88
XVIII B	13	Rations for prisoners	290
XXIV	1	Purchase of cars	100
XVIII		General savings	220
		General savings on Trans-Jordan Estimates	200
			1,210

3. The additional recurrent expenditure involved by the scheme is estimated to be:

	£P.
6 Jundi drivers at £P.5 a month	360
Driving allowances at £P.2 a month	144
Clothing at £P.7 a year	42
Petrol and maintenance	500
	1,046

To off-set this expenditure the following savings were proposed under Head XVIIIA:

Item		£P.
24	1 clerk at £P.6 a month	72
44	4 cavalry men and 4 camel men at £P.5 a month	480
20	Forage for 4 horses at £P.24 a year and 4 camels at £P.22 a year	184
71	Clothing for 8 men	56
74	Saddlery	8
75	Hire of transport	246
		1,046

4. The required adjustments are being re-examined and will be taken into account in the revised Trans-Jordan Estimates for the current financial year which are being prepared in accordance with the instructions conveyed in your telegram No. 58 of the 12th September‡.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

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* No. ~~77029/36 [No. 38]~~. 38 † No. ~~77029/36 [No. 43]~~. 39

‡ No. ~~77029/36 [No. 48]~~. 42

Working Copy

77029/36 [No. 61]. No. 46 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 2.14 p.m., 22nd October, 1936.)

TELEGRAM.

No. 53. 22nd October. General Officer Commanding is pressing for immediate reconstruction of bridge mentioned in paragraph 7 of my despatch of the 27th February confidential* on the ground that it is imperative that road communication between Jerusalem and Amman should not be interrupted during the coming winter.

Provision for bridge was deleted from the Draft Estimates in view of instruction for reduction of extraordinary expenditure given in your despatch of the 7th March confidential†. Estimates are being further revised as directed in your telegram No. 58‡ and it appears that by making every possible reduction and taking into account increased share of Palestinen customs about which I shall address you by despatch grant-in-aid may not have to exceed £P.55,000 provided that special expenditure mentioned in second paragraph of that telegram is not charged to Trans-Jordan.

I suggest that the cost of the bridge might be provided by means of additional grant of £P.2,600 from Colonial Development Fund which is already meeting half the cost of the road on which this bridge is situated (see my despatch No. 114 of the 4th August 1934§).

Only alternative would be increase in grand-in-aid. I shall be grateful for reply by telegraph.

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* No. 77029/36 [No. 11]: not printed.
† No. ~~77029/36 [No. 18]~~. 30
‡ No. ~~77029/36 [No. 48]~~. 42.
§ No. 37793/2/34 [No. 1]: not printed.

Working Copy

77029/36 [No. 62]. No. 47 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 23rd October, 1936.)

[*Answered by No.* ~~77029/36 [No. 71].~~ 53

(Secret.)

SIR, Jerusalem, 16th October, 1936.

I have the honour to refer to my secret despatch of the 17th September, 1936*, on the subject of the appointment of two additional telephone clerks in Trans-Jordan.

2. I would explain that the telephone exchange referred to in that despatch is not the permanent exchange which it is proposed to purchase by means of a loan from the Colonial Development Fund and which formed the subject of the correspondence ending with your predecessor's Trans-Jordan confidential despatch of the 24th January, 1936†. Owing to the importance of providing a more ample and efficient telephone service at Amman with as little delay as possible, and the certainty that some time would elapse before the new permanent exchange could be acquired, the Trans-Jordan authorities decided to purchase a second-hand exchange from Egypt at a cost of £P.350, instal it as a temporary central telephone exchange at Amman, and thereby increase the capacity of the telephone service by one hundred lines. The cost of this exchange has been met from the approved provision for the purchase of stores and equipment in the Estimates of the Department of Posts and Telegraphs, Trans-Jordan.

3. If the two additional telephone clerks can be made available, this temporary measure will meet immediate requirements but it does not in any way affect the major scheme.

When the permanent scheme is carried out the present temporary exchange will be converted into several small units, for use elsewhere in Trans-Jordan in place of antiquated switchboards at present in use, which are far from satisfactory.

4. I regret that this information was not given in my previous despatch.

I shall be grateful if approval may now be given for the appointment of the two additional telephone clerks in order that the measures already taken may become fully effective and revenue-producing.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

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* No. 77029/36 [No. 51]. Not printed † No. 77093/3/35 [No. 9]: not printed.

Trans-Jordan Estimates—(C.28409/127). 12.

Working Copy

77029/36 [No. 63]. No. 48 PROOF.

TREASURY

to

COLONIAL OFFICE.

S.35961/01/36.

SIR, Treasury Chambers, 24th October, 1936.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letter of the 16th October* in which it is stated that the High Commissioner for Trans-Jordan has requested that approval may be given, in advance of the sanction of the Estimates as a whole, for the purchase of a supply of rifles, bayonets and ammunition required as a reserve for the Arab Legion and for the construction of an armoury for housing this equipment.

In reply I am to request you to inform Mr. Secretary Ormsby Gore that My Lords concur in his proposal to approve, in advance of the approval of the Estimates, expenditure not exceeding £2,400 for the purchase of these munitions and the construction of an armoury. Their concurrence is given on the understanding that the expenditure is still essential, notwithstanding the recent improvement in conditions in Palestine.

I am, &c.,

R. V. NIND HOPKINS.

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* No. 77029/36 [No. 60]: not printed.

Trans-Jordan Estimates—(C.28409/126). 12.

Working Copy

77029/36 [No. 65]. No. 49 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by No.* ~~77029/36 [No. 68].~~ 51

SIR, Downing Street, S.W.1, 29th October, 1936.

I am directed by Mr. Secretary Ormsby Gore to refer to your letter S.35961/01/36 of the 24th October* and connected correspondence relating to the draft Estimates for Trans-Jordan for 1936–37, and to enclose, to be laid before the Lords Commissioners of the Treasury, a copy of a telegram† from the High Commissioner for Trans-Jordan concerning the necessity for the immediate reconstruction of the bridge at the junction between Wadi el Jer'a and Wadi Sheib for which provision was made in the draft Estimates originally submitted in February last.

2. It will be observed that the High Commissioner suggests that the cost of the bridge might be provided by means of an additional grant of £2,600 from the Colonial Development Fund, which is already meeting half the cost of the road on which the bridge is situated. In view, however, of the urgent need for its construction and of the delay which an application for a grant from the Colonial Development Fund must necessarily entail, I am to suggest that, subject to the concurrence of their Lordships, this expenditure be approved as part of the ordinary Trans-Jordan Estimates for 1936–37 in advance of consideration of the Estimates as a whole.

3. I am to refer in this connexion to the letter from the Colonial Office to the Treasury of the 18th September‡ and to your reply S.21404 of the 25th September‡ in which consideration was given to the question of how certain charges arising out of the disturbances in Palestine were to be borne. It was proposed that their Lordships should accept in principle the position that a considerable part of the increased expenditure and short fall of revenue resulting from the disturbances should be met by an increase of the grant-in-aid from His Majesty's Government. If, as would appear from your letter of the 25th September, their Lordships accept this position, it seems to follow that the special expenditure mentioned in the Secretary of State's telegram to the High Commissioner of the 12th September§ (of which a copy was enclosed in Mr. Blaxter's letter to Mr. Wardley of the 16th September‖) and referred to in the enclosed telegram from the High Commissioner, should be charged to Trans-Jordan funds. In these circumstances a supplementary grant-in-aid would in any event be required and it would appear to be reasonable to include the sum of £2,600 required for the reconstruction of the bridge among the items of which the supplementary grant-in-aid was composed.

4. Mr. Ormsby Gore would be glad to be informed at an early date whether their Lordships concur in the above proposals.

I am, &c.,

O. G. R. WILLIAMS.

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* No. ~~77029/36 [No. 63]~~. 48 † No. ~~77029/36 [No. 61]~~. 46

‡ No. 77133/36 [Nos. 12 and 13]: not printed. § No. ~~77029/36 [No. 48]~~. 42

‖ No. 77029/36 [No. 49]: not printed.

Trans-Jordan Estimates—(C.28409/125). 12.

Working Copy.

77029/36 [No. 66]. No. 80 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by No. ~~77029/36 [No. 69].~~* 52

SIR, Downing Street, S.W.1, 30th October, 1936.

I am directed by Mr. Secretary Ormsby Gore to refer to your letter S.35961/01/36 of the 24th October* and connected correspondence relating to the Trans-Jordan Administration Estimates for 1936–37, and to enclose, to be laid before the Lords Commissioners of the Treasury, copies of correspondence† concerning a request made by the Trans-Jordan Government that authority be given for the appointment of two additional telephone clerks for which provision was made under item 19 of Head XVI, Posts and Telegraphs, of the draft Estimates.

2. The Secretary of State supports the High Commissioner's proposal, and in the circumstances set out in the enclosed correspondence I am to request that their Lordships may be moved to give their approval to this expenditure in advance of consideration of the Estimates as a whole.

I am, &c.,

O. G. R. WILLIAMS.

77029/36

* No. ~~77029/36 [No. 68].~~ 48 † No. ~~77029/36 [No. 62]~~, and [Nos. 51, 54, 64]: not printed. 47

Trans-Jordan Estimates—(C.28409/133). 12.

Working Copy.

77029/36 [No. 68]. No. 51 PROOF.

TREASURY

to

COLONIAL OFFICE.

S.35961/01/36.

SIR,

Treasury Chambers, 10th November, 1936.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letter of the 29th October* with the accompanying copy of a telegram† from the High Commissioner for Trans-Jordan concerning the necessity for the immediate reconstruction of the bridge at the junction between Wadi el Jer'a and Wadi Sheib.

In reply I am to request you to inform Mr. Secretary Ormsby Gore that having regard to the importance of maintaining communication between Amman and Jerusalem, My Lords concur in his proposal that the expenditure of £2,600 on the reconstruction of the bridge should be approved as part of the ordinary Trans-Jordan Estimates for 1936-37 in advance of consideration of the Estimates as a whole.

I am, &c.,

R. V. NIND HOPKINS.

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* No. ~~77029/36 [No. 65]~~. 49. † No. ~~77029/36 [No. 61]~~. 46.

Trans-Jordan Estimates—(C.28409/134). 12.

Working Party.

77029/36 [No. 69]. No. 52. PROOF.

TREASURY

to

COLONIAL OFFICE.

S.35961/01/36.

SIR, Treasury Chambers, 10th November, 1936.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letter of the 30th October* with the accompanying copies of correspondence concerning a request made by the Trans-Jordan Government that authority be given for the appointment of two additional telephone clerks for which provision was made under item 19 of Head XVI, Posts and Telegraphs, of the draft Estimates.

In reply I am to request you to inform Mr. Secretary Ormsby Gore that My Lords concur in his proposal to approve this expenditure in advance of consideration of the Estimates as a whole.

I am, &c.,

R. V. NIND HOPKINS.

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* No. ~~77029/36 [No. 66]~~. 50

Working Copy.

77029/36 [No. 71]. No. 53. PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 12 noon, 12th November, 1936.)

TELEGRAM.

No. 69. Secret. Your secret despatches of the 17th September* and 16th October†. Appointment of two additional telephone clerks approved.

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* No. 77029/36 [No. 51]: not printed. † No. ~~77029/36 [No. 62]~~. 47

Working Copy

77029/36 [No. 73]. No. 54 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 12 noon, 12th November, 1936.)

TELEGRAM.

No. 71. Your telegram No. 53 of the 22nd October*. Reconstruction of bridge. Application to Colonial Development Fund would involve considerable delay. Expenditure of £2,600 approved as part of the Trans-Jordan Estimates for 1936–37.

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* No. ~~77029/36 [No. 61]~~. 46

Working WS Copy

77029/36 [No. 74]. No. 55 PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 15th November, 1936.)

(No. 145.)

SIR, Jerusalem, 5th November, 1936.

I have the honour to refer to your telegram No. 634 of the 29th October, 1936*, regarding the purchase of additional arms for the Arab Legion, and the provision of an armoury therefor, and to inform you that I am satisfied that the proposed expenditure on the armoury is essential notwithstanding the recent improvement in conditions in Palestine.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

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* No. 77029/36 [No. 67]: not printed.

Working Copy

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 5th January, 1937.)

[*Answered by No.* ~~77029/36 [No. 87]~~ 58

(Secret.)

SIR, Jerusalem, 31st December, 1936.

I have the honour to refer to the correspondence ending with your telegram No. 58 of the 12th September, 1936*, and to transmit to you herewith the revised draft Estimates of the Trans-Jordan Administration for the financial year 1936–37†, together with a detailed explanatory memorandum prepared by the Financial Adviser†, and a copy of a letter No. 5009 of the 9th November, 1936, from the British Resident, commenting on the general aspects of these Estimates.

2. I do not intend to reproduce in this despatch any of the figures or explanations which are so clearly set out in the Financial Adviser's memorandum and the British Resident's covering letter, and, subject to the following observations, I recommend that the Estimates as now framed should be approved.

3. The successful efforts of the British Resident and of the Trans-Jordan Administration to meet the wishes of His Majesty's Government in the framing of these Estimates are, in my opinion, worthy of the highest commendation. The task of balancing the Estimates in the face of heavy losses of revenue resulting from crop failures, coupled with a reduction in the grant-in-aid and heavy additional commitments on security measures and relief works, has been one of exceptional difficulty.

I do not propose at this stage to comment on the last paragraph of the British Resident's letter in which he touches upon the question of the financial assistance which His Majesty's Government may be called upon to give to Trans-Jordan in the coming financial year, as I consider that this question can be more appropriately and satisfactorily dealt with in connexion with the draft Estimates for that year. It is however possible that the position of the Trans-Jordan Administration in future years will continue to be difficult.

4. I am satisfied that the Estimates as now framed meet the requirements laid down in your telegram under reference, and provision has been made for all the additional services which it has been necessary to undertake since the previous Estimates were submitted. I particularly request that His Majesty's Government should bear in mind the fact that Trans-Jordan has had to shoulder considerable commitments on security measures which were necessitated by circumstances arising out of the disturbances in Palestine and that this has been done in a year in which the financial assistance received from His Majesty's Government has been decreased.

I take this opportunity to say that I do not recommend that the Special Expenditure of £P.10,000 authorized in your Most Secret telegram No. 39 of the 27th June, 1936‡, in connexion with the recent disturbances, should be charged to Trans-Jordan funds. This expenditure was incurred in the direct interest of Palestine and should, in my opinion, be borne by Palestine funds.

5. With regard to questions of detail, only two items under revenue call for comment on my part, namely the Trans-Jordan share of Customs Duty collected in Palestine, under Head I, Item 1; and the Trans-Jordan share of Palestine Currency Profits under Head VII, Item 2.

As regards the former you have already sanctioned the increased payment by Palestine, in your telegram No. 75 of the 11th December, 1936§.

I have not yet been able to address you regarding the revision of the share of currency profits but this question has been carefully studied by the Treasurer, Palestine, and I hope shortly to transmit to you a copy of his report. Meanwhile, I am satisfied that I can recommend that the Trans-Jordan share of the profits received by Palestine in respect of the year 1934–35 should be increased from £P.5,000, which was the amount actually paid to Trans-Jordan in 1935–36, to approximately £P.9,700, and that the share to be paid in 1936–37 on account of 1935–36 should be fixed at approximately £P.8,200. On this basis Trans-Jordan will receive a payment of £P.12,900 on this

* No. 77029/36 [No. 48]. 42 † ~~Reproduced separately as an Appendix to the Volume.~~ No. 56A

‡ No. 77139/36 S Not printed § No. 79128/36 [No. 5]. Not printed.

account during the present financial year, or £P.2,100 less than the present revised Estimate of £P.15,000 which was arrived at last November before the Treasurer, Palestine, had completed his examination of the question.

I am advised by the Financial Adviser and the British Resident that this shortfall in revenue can be made good by a further increase under general Customs receipts and as this advice is based on the later figures which are now available, I am prepared to endorse it. The general revenue position as shown in the revised Estimates thus remains unchanged and the necessary alterations under individual items can be made before the Estimates are submitted to the Legislative Council, after they have received your approval.

6. Turning now to the revised Estimates of Expenditure, I have the following observations to make in amplification of the information given by the British Resident and the Financial Adviser.

(i) Head V, Chief Minister and Interior, Item 14, Secret Service Funds.

I strongly support the recommendation for this increased provision which will greatly assist the Chief Minister in keeping in touch with the situation and maintaining peace in Trans-Jordan during the present difficult times. The question of reverting to the normal provision should however be considered as soon as it can reasonably be asserted that conditions in Palestine and Trans-Jordan have returned to normal.

(ii) Head XIII, Agriculture and Forests, Item 16, Pumpman for Teneib Watering Station.

This appointment is necessitated by the installation of the pump provided for, and approved by you, under Head XXXI, Expenditure out of Colonial Development Fund Grants, Item 7, Improvement of Trans-Jordan Water Supplies. *Vide* page 12 of the Financial Adviser's memorandum.

(iii) Head XV (A), Public Works Recurrent, Item 7, Maintenance of Roads.

I consider that the increased provision under this item should be approved, on the understanding that the provision of £P.4,000 per annum for a period of four years for the re-surfacing in tar-macadam of a section of the Amman–Es Salt road should not in itself be used as a pretext for a permanent increase of the vote for road maintenance. In fact, it is for consideration whether this provision should not be shown under Head XXIII, Public Works Extraordinary, and I shall be grateful for your ruling on this point. If necessary this adjustment can be made before the Estimates are submitted to the Legislative Council.

(iv) Head XVI, Posts and Telegraphs Department, Item 20 (*a*).

Provision has been made for six linesmen only under this item whereas it is in fact desired to provide for nine linesmen as originally shown under Item 28 of the same Head of the draft Estimates submitted under cover of my confidential despatch of the 19th December, 1935*. The three additional linesmen are required for the maintenance of the new Kerak–Tafileh and Zerka–Sukhneh telephone lines. The additional provision required in the present Estimates is £P.216 and I shall be grateful if this may be approved. The British Resident has undertaken to effect corresponding savings before the Estimates are submitted to the Legislative Council.

(v) Head XXIII, Public Work Extraordinary.

The works provided for under this head are, in my opinion, fully justified. The four garages provided for under Item 10 formed the subject of my secret despatch of the 30th September, 1936†, and the provision under Item 11 for the construction of an armoury was approved in your telegram No. 634 of the 29th October, 1936‡.

(vi) Head XXIV, Police and Prisons Extraordinary, Item 5, Purchase of Rifles.

This expenditure was authorized in your telegram No. 634 of the 29th October, 1936‡.

7. It is desirable that these Estimates should be submitted to the Trans-Jordan Legislative Council during its present session which will end on the 31st January next, and I shall therefore be grateful if you will, if possible, convey your approval by telegram as soon as possible.

* No. ~~77029/35 [No. 10]~~ 23 † No. ~~77029/36 [No. 58]~~ 45 ‡ No. 77029/36 [No. 67]: not printed.

I would explain that the reason why so long a period has elapsed between the submission of these Estimates by the British Resident and their transmission to you, is that I wished to be satisfied that the increased revenue provided for under the Trans-Jordan share of Palestine Customs receipts, and the Trans-Jordan share of currency profits, would in fact be realized. It was not until the 21st December that the Treasurer, Palestine, was able to furnish me with his preliminary recommendations on which the figures of currency profits given in paragraph 5 of this despatch are based.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

Enclosure 3 in No. 56

YOUR EXCELLENCY, 9th November, 1936.

I have the honour to refer to the Secretary of State's telegram No. 58 of the 12th of September, 1936*, on the subject of the Estimates of the Trans-Jordan Government for the financial year 1936–37 and to submit herewith in accordance with his request a completely new set of the Estimates† revised up to date, together with a fresh comprehensive memorandum† by the Financial Adviser.

2. These revised Estimates comprise:—

A. An Abstract Statement of the Estimated Revenue.
B. An Abstract Statement of the Estimated Expenditure.
C. A Summary showing the Estimated Surplus at the 31st March, 1937.
D. Detailed Schedules of Estimated Revenue.
E. Detailed Schedules of Estimated Expenditure.
F. A nominal roll of Pensioners and recipients of Discharge Pay.
G. A Statement of Assets and Liabilities at the 31st March, 1936.

3. Six months of the present financial year having already elapsed the Estimates of Revenue have been calculated with consideration to actual revenue received during that period. The revised estimated Expenditure, excluding that in respect of the Trans-Jordan Frontier Force, Colonial Development Schemes and the liquidation of obligations to the Ottoman Public Debt Administration, is £P.377,492. The anticipated Revenue, excluding Grants, is £P.277,370. There is thus a deficit of £P.100,122. The outfall of the previous financial year, with an issued Grant-in-Aid of £P.42,000, produced a surplus of £P.48,500. This sum, together with the approved Grand-in-Aid of £P.55,000, making a total of £P.103,500, will suffice to cover the deficit and to produce a surplus balance on the 1st of April, 1937, of £P.3,378.

4. The Budget has been balanced in this manner in the face of a serious short fall of revenue, due principally to local agricultural conditions but partly also to political conditions in Palestine, to an unavoidable expenditure of £P.19,252 on relief works, and in spite of the heavy unforeseen expenditure on public security necessitated by events in Palestine and incurred to a large extent, although indirectly, in the interests of the Palestine Government. This result has been achieved by the omission from these Estimates of provision for regradings of posts and promotion of personnel, and by the retention only of a very few proposals for increase of staff or Other Charges which are most urgent and essential.

5. Proposals for extraordinary expenditure have in a like manner been reduced to a bare minimum. The Secretary of State in his telegram of the 12th of September, 1936*, directed that the figure of Extraordinary Expenditure for 1935–36 should not be exceeded: this figure, excluding Trans-Jordan Frontier Force expenditure and Colonial Development Fund Schemes, amounted to £P.25,033. The present proposals, with similar exclusions and omitting special expenditure on Relief Works amounting to £P.19,255, will cost £P.17,168.

6. It is apparent from the papers which were enclosed with the Secretary of State's printed despatch Trans-Jordan Secret (2) of the 28th of September, 1936‡, on the subject of a temporary increase in the strength of the Arab Legion, that the Lords Commissioners of the Treasury have accepted in principle the position that considerable part of

* No. ~~77029/36 [No. 48]~~ 42 † Reproduced separately as an Appendix to the Volume.
‡ No. 77133/36. Not printed.

the increased expenditure and short fall of revenue (of the Trans-Jordan Administration) resulting from the disturbances in Palestine should be met by an increase of the Grant-in-Aid furnished by His Majesty's Government. The Secretary of State in propounding that principle to His Majesty's Treasury clearly had it in mind that the financial situation would be such as to justify and necessitate such an increase in the Grant-in-Aid in the present financial year. I have however explained, and these Revised Estimates will show, that by the exercise of much drastic economy and by again deferring all of those promotions and regradings, most of those new appointments and many of those proposals for extraordinary expenditure which are so badly needed by the Administration, the Estimates can be balanced in the present financial year without an increase in the Grant-in-Aid.

This does not mean however that the need for additional assistance from His Majesty's Treasury has ceased, for although a short fall of revenue and increased expenditure due to the disturbances in Palestine may have been covered by drastic measures this year, their reactions will be felt in future years and particularly in 1937–38. In effect the greater part of the surplus balance of £P.48,500 which was carried over into 1936–37 has been absorbed in emergency measures without any corresponding relief from the present serious constriction in departmental activities and congestion in the Government service. A preliminary examination of the draft Estimates for 1937–38 indicates that no expansion will be possible next year if the present Grant-in-Aid of £P.55,000 is not increased; and I trust therefore that the consent of the Trans-Jordan Government this year again to exercise patience will not prejudice their request for the application in 1937–38 of the principle accepted by the Lords Commissioners of the Treasury at the instance of the Secretary of State that an increase of the Grant-in-Aid should be furnished.

I have, &c.,

C. H. F. Cox,

British Resident.

His Excellency,
The High Commissioner for Trans-Jordan,
Jerusalem.

77029/36. No 80. ENCLOSURE

No. 56[A]

FINANCIAL ADVISER'S MEMORANDUM ON THE ESTIMATES OF THE REVENUE AND EXPENDITURE OF THE TRANS-JORDAN GOVERNMENT FOR THE FINANCIAL YEAR 1936/37, REVISED TO DATE.

FINANCIAL ADVISER'S MEMORANDUM ON THE ESTIMATES OF THE REVENUE AND EXPENDITURE OF THE TRANS-JORDAN GOVERNMENT FOR THE FINANCIAL YEAR 1936/37, REVISED TO DATE.

REVENUE

GENERAL. Owing to the delay that has occurred in the bringing of these Estimates to their final form it is now possible to estimate the revenue that will be received during the present financial year on the basis of the actual revenue which accrued during the first six months of the year. These revised Estimates of revenue have therefore the nature of a forecast, and detailed comment on the means by which estimates have been arrived at will, except in isolated cases, be unnecessary.

Head I. Item I, Customs Share, Palestine. Increase L.P. 8,000. Statistics produced as the result of a reorganised and intensified examination at the frontier during the last six months of 1935/36 have shewn that the value of foreign goods imported to Trans-Jordan after payment of duty is considerably greater than the estimated value upon which the annual share payment of L.P. 17,000 hitherto made by the Government of Palestine was calculated. Negotiations with that Government have reached a stage which justifies the confidence that the share in respect of 1935/36 will be raised by L.P. 8,000 to L.P. 25,000, and provision has accordingly been made in those revised Estimates for the receipt of that increase. The question of the share payable in respect of the present financial year is still under consideration.

Head II. Licences and Taxes.

Items, 10,12, 13, 14 and 15 of this Head, and Item 1 of Head V (Revenue from Government lands and buildings) may be conveniently grouped together as representing all that rural taxation which is affected by remissions on account of crop failure and by the difficulty of collection both of arrears and of current assessments owing to seasonal poverty. The ability of rural taxpayers to meet their obligations has been seriously affected not only by the very bad agricultural conditions but also by the economic reactions of the situation in Palestine.

The present revised Estimates of revenue from those sources is based upon the actual revenue collected during the first half of the current year out of net assessments (after deductions on account of remissions for crop failure), and upon a close consideration of the possibility of maintaining a satisfactory level of collection both of arrears and of current assessments during the remaining part of the year, without recourse to unduly oppressive measures having regard to the poverty of the people.

Item 11. Income Tax. The decrease of L.P. 700 is due mainly to the continued reduction in the staff of the Iraq Petroleum Company.

Item 17. Allenby Bridge Tolls. The decrease of L.P. 700 is due to the virtual cessation of traffic during the period of the strike in Palestine.

Item 19. Fines and forfeitures. The decrease of L.P. 800 is based on actual collections during the first half of the current financial year.

Head III. Fees of Court or Office

The decrease under Item 4, Notarial Fees, is covered by the increase under Item 1, Civil Court Fees, to which in the interests of simplicity receipts from the former source are now credited.

Item 5. Land Registry Fees. previously included receipts from Land Settlement Fees. Owing to the different nature of these respective fees and the purpose for which they are levied it has been decided to estimate and account for them separately, (vide the following item 6).

Item 16. Miscellaneous: reimbursements, shews an increase of L.P. 780 principally due to anticipated receipts from the Municipalities and from the Agricultural Bank in respect of the emoluments of personnel of the Audit Department engaged in the audit of their accounts, and to payments made by the Iraq Petroleum Company in respect of the emoluments of Customs Staff at Mafraq and H. 4.

Head IV. Posts and Telegraph Departments.

Item 3 shews an increase of L.P. 300 due partly to the expansion of the Telephone Service and partly to the increased requirements of Government Departments for which provision has been made in departmental estimates of expenditure.

Item 4 shews a decrease of L.P. 130 due to restrictions imposed during the period of the disturbances in Palestine, and in spite of increased use locally by Government Departments to which reference is made in the foregoing paragraph.

Head V. Revenue from Government Property.

Item 1, hitherto entitled "Rent of land and buildings" is now described as "Revenue from land and buildings", and includes not only the rent paid by tenants of Government land and buildings but also the Land Tax paid by tenants of Government Land. The decrease shewn is due partly to reasons explained in the comments on Head II, Items 10 etc. referring to Land and connected taxation and is partly covered by increases under Head VIII, Item 2, (vide infra).

Item 2. The decrease of L.P. 800 under this Item is mainly due to measures taken by Government to restrict wood cutting in new demarcated State forest areas.

Head VI. Interest.

Item 3. Interest on Agricultural Loans is decreased in approximately its whole amount owing to the repayment at the end of 1935/36 of the outstanding amount of the loan advanced by the Trans-Jordan Government to the Agricultural Bank in 1933.

Head VII. Miscellaneous.

Item 2. Share of Profits from the Palestine Currency. Shews an increase of L.P. 5,000. Negotiations with the Government of Palestine have reached a stage at which it is reasonable to assume that the share payable in each of the previous and the current financial years may approximate to L.P. 10,000. The share received in 1935/36 was L.P. 5,000. Provision is therefore now made for L.P. 10,000 receivable in 1936/37, for approximately L.P. 2,000 already received in 1936/37 in respect of 1935/36, and for L.P. 3,000 still receivable in respect of 1935/36.

Head VIII. Sale of State Domains.

Item 2. represents a new provision to cover receipts under the form of contract now used by the Department of Lands for the disposal of State Domains in two consecutive stages, the former of which involves collections of the nature of rent during a period preliminary to final disposal.

Head IX. Grant-in-Aid of the Trans-Jordan Government. Provision is made for receipt of the sum of L.P. 55,000 in accordance with paragraph 7 of the Secretary of State's despatch Confidential of the 7th. of March, 1936. *

Head XI. Grants from the Colonial Development Fund. The receipts estimated from this source are based on payments expected to be received during the current financial year out of grants already approved.

Head XII. Additional Grant-in-Aid of the Trans-Jordan Government. for the payment of the annuity to the Council of the Ottoman Public Debt, L.P. 32,000. This arises out of the correspondence ending with the Secretary of State's despatch Confidential 2 of the 7th. of August, 1936.† A cross entry of the same amount appears under Expenditure Head XXXII.

* No. 77029/36 [No. 12]
† No. 79021/36 [No. 42] not printed.

EXPENDITURE.

General. (a) It will be observed that in certain cases Item numbers are not in strictly serial order. It has been found necessary to submit them in their present order in consideration of the fact that considerable delay has occurred in the bringing of the Estimates to their final form, during which time expenditure has been embodied in the accounts under the original numbers.

(b) In order to facilitate financial control over departmental expenditure, provision for transport and travelling has where necessary been divided in a manner to separate the regularly recurrent commitments of forage allowance to mounted employees from the more variable requirements in respect of occasional travelling. In all cases in which increases have been provided for in the relevant Items of these revised Estimates, departmental proposals have been very closely examined and are held to be justified by actual requirements.

(c) It will be observed that increases are proposed in expenditure by certain departments under Items for Postage, Telephones and Telegraphs. These have been very carefully considered and are held to be justified by actual requirements for the proper execution of departmental services. Due provision has been made in the Estimates of Revenue of the Department of Posts and Telegraphs, Head IV, Items 3 and 4, for the additional receipts to accrue from these increases.

Head I. Civil List. In paragraph 11 of his Confidential Trans-Jordan despatch of the 28th. June, 1935, * the Secretary of State approved the permanent increase in 1935/36 of the total of Item 1(a), His Highness the Amir's personal allotment, and Item 1(b), His Highness the Amir Talal, from L.P. 12,820 to L.P. 13,000 (which the Lords Commissioners of the Treasury considered should be regarded as the normal figure) and the further temporary increase of L.P. 500 to L.P. 13,500. Of the total increase of L.P. 680 in 1935/36, the sum of L.P. 180 was allocated as a permanent addition to Item 1(a), and the remaining sum of L.P. 500 allocated to Item 1(b) and applied to the reduction of the Amir Talal's debts, for which purpose His Highness the Amir Abdullah personally contributed a further sum of L.P. 394. As a result of these arrangements it was anticipated that the Amir Talal's debts would be reduced to L.P. 215 by the 31st. March, 1936, an anticipation which in the event fell somewhat short of being fulfilled.

The High Commissioner, in paragraph 7(ii) of his Confidential Trans-Jordan despatch of the 19th. December, 1935, ≠ to the Secretary of State recommended that provision should be made, as a special case, for the refund to the Amir Abdullah of the sum of L.P. 394 which he had paid towards his son's debts, and for the payment of a further sum of L.P. 215 to restore the Amir Talal to solvency.

The revised Estimates of L.P. 1,215 for the current financial year under Item 1(b) represents the effects of the permanent increase of the Amir Talal's annual allowances to L.P. 1,000, which was approved by the Secretary of State in his Telegram No. 42, Confidential of the 6th. July, 1936, ≠ and of the temporary increase of L.P. 215 referred to above.

Head II. Public Debt and Loan Charges.

Item 1 represents the interest payable on the outstanding amount of the sum advanced by His Majesty's Government in 1927 for issue in Earthquake Relief Loans.

* No. 77103/35 [No. 20]
≠ No. 77029/35 [No. 10]
≠ No. 77029/36 [No. 36] : not printed

Item 2. Represents interest formerly due to the Government of Palestine in respect of loans for agricultural purposes, all of which were paid off in 1935/36.

Item 3. Refers to the Scheme sanctioned in the Secretary of State's telegram No. 26 of the 6th. April, 1934.* The obligations of the Trans-Jordan Government to the Government of Palestine were liquidated in 1935/36.

Head IV. Pensions and Gratuities.

Item 1. Provides for an increase of L.P. 1,400 to meet additional commitments arising in 1935/36 payment of which is being made during the present year, and new pensions which it is anticipated will be granted and paid during 1936/37. A nominal roll of pensioners and recipients of discharge pay, shewing the amount payable to each, is appended hereto. In this connection attention is invited to the report by the Financial Adviser on the increase of expenditure on pensions and gratuities which was transmitted to the Secretary of State with the High Commissioner's Confidential despatch of the 21st October, 1935.†

Head V. Chief Minister and Interior.

Item 13. provides for a necessary increase of L.P. 30 to cover the cost of postage, telegrams and telephone services.

Item 14. provides for an increase of L.P. 100 in the Vote for Secret Services administered by the Chief Minister who has afforded satisfactory evidence that the sum provided in the previous year has been insufficient.

Item 15. provides for the purchase of legal books of which the Chief Minister's Office stands badly in need.

Head VI. District Administration.

It has been decided, in the light of the administrative and financial importance of the Ajlun Nahia and of the experience that has been gained since its reduction to that status in 1933 to reconstitute it a junior Kaimmakamieh. The reorganization necessitates the creation of a new post of clerk in Grade IX, and involves the adjustment of the grading of one post of Kaimmakam downwards and of one post of Mudir Nahia upwards. These changes are represented by Items 2 to 9 and will take effect from the 1st. January, 1937. Attention is invited to the remarks on Head IX, Item 10.

Head VII. Ministry of Justice.

Item 72, Ministry of Justice publication. This is a new item representing an increase of L.P. 30. In 1935/36 a scheme was initiated in the Ministry of Justice for the publication of a periodical magazine containing the more important judgments of the Courts and articles on legal matters of general or particular interest by officials in the Ministry and by local lawyers. His Highness the Amir has also been pleased to contribute articles on the lex talionis. It was confidently expected that the sale of the publication would be sufficient to cover the expenses of production, but that expectation has not been fulfilled. The publication is of value, particularly in view of the low standard of experience and qualifications among the majority of officials in the Ministry, and it is considered that this small contribution from Government is justified in order to keep the scheme alive.

* No. 37793/34 [No. 17] : not printed

† No. 77103/35 [No. 34] : not printed

Head IX. Ministry of Finance.

Item 2. Provides for an increase of L.P. 72 (in addition to normal incremental increase) in respect of the grant of Cost of Living Allowance to the Financial Adviser at the rate of L.P. 36 a year from the 1st. April, 1935, approved by the Secretary of State in his despatch Confidential of the 10th. July, 1936.*

Item 10. In connection with the re-creation of a Kaimmakamieh at Ajlun (vide supra under Head VI) it has been decided to re-open the Revenue Office at that Sub-District Headquarters. Hitherto, since the Ajlun area became a Nahia, all questions of revenue and finance in its respect have been dealt with at Jerash, in consequence of which there has been much delay and loss of efficiency in the work and numerous complaints by the public. The re-opening of a Revenue Office at Ajlun has moreover been urgently recommended by the Director of Lands to facilitate Land registration following a completed settlement : it is amply justified on its own merits, as is equally the re-establishment of a Kaimmakam there; and the necessity for each is linked with and enhanced by that for the other. The new Sub-Accountant will be assisted by a clerk to be transferred from the Jerash revenue office, and by an additional orderly provided for under Item 27.

Item 15. Provides for the engagement of two apprentices at a low rate of pay for employment at the Treasury under training in accounting and revenue work. By these means some relief will be afforded from the heavy volume of business that has hitherto been dealt with by an inadequate staff, and a small reserve of trained personnel will be inexpensively formed to fill vacancies in the Department as they occur.

Head X. Customs and Excise.

Items 11, 12 and 15. Provide for new appointments at Mafraq and H.4. both of which are special stations of the Iraq Petroleum Company in Trans-Jordan. The cost of these appointments has been defrayed by the Company.

Head XI. Public Health Department.

Item 64. Shews an increase of L.P. 215. This is mainly to provide for the purchase of additional bacteriological and other equipment of which the Department stands badly in need.

Item 65. Shews an increase of L.P. 100 for Epidemic Measures. The provision for 1934/35 was decreased in 1935/36 by L.P. 150 owing to the need for drastic economy. The sum of L.P.400 is insufficient to provide adequately for this service.

Item 66. Provides for an increase of L.P. 200 for anti-malarial measures in the Wadi Zerqa, particularly in the neighbourhood of Zerqa and Sukhneh villages and of the Trans-Jordan Frontier Force Headquarter Camp. The stream, which is perennial, is used extensively for garden irrigation in that vicinity, and is a source of serious danger of malarial infection not only to local villagers but also to the inhabitants of the Camp.

Item 73. Provides for half of the recurrent cost of a Mobile Medical Unit for service among nomad tribes in Trans-Jordan, based upon the information contained in the High Commissioner's Confidential despatch of the 19th. November [? December], 1935, † to the Secretary of State and subsequent correspondence.

* P.F. No. 19148: not printed

† No. 77029/35 [No. 10]

Head XII. Education Department.

Item 59, is reduced to L.P. 600 which represents the normal recurrent figure for stores and equipment : the provision for purchase of the machines and equipment to complete the programme of requirements of the school has once more been deferred and will be considered with the estimates for 1937/38.

Items 61 and 62, represent two of the items in previous Estimates which have been amalgamated in these Revised Estimates under Item 63, Technical and Higher Training School Fees. The details of the estimated expenditure under this one item are as follows :

7 students at the Kadoorie Agricultural School of Tulkarm @ L.P. 59 each per annum. L.P. 413

1 student at the Arab Training College, Jerusalem, @ L.P. 57 per annum. L.P. 57

2 students at the American University of Beirut @ L.P. 100 each per annum. L.P. 200

3 Girls at the Women's Elementary Training College and English College, Jerusalem, @ L.P. 55 each p.a. L.P. 165

Item 64, is a new provision necessitated by the application of Financial Regulations, which require that gross receipts and gross payments must be accounted for. Revenue from the sale of Arts and Crafts School products was previously accounted for on a net basis. Expenditure on commission was provided in 1935/36 by re-appropriation.

Head XIII. Agriculture and Forests.

Item 16. Water tests at the Tuneib Farm bore having proved to be satisfactory the acquisition of pumping machinery out of a grant made available from the Colonial Development Fund has been authorised, and the plant will shortly be installed. The question of provision of the recurrent costs of the Farm development scheme is still under consideration but, in the meantime, local provision must be made for the employment of a pump man and for fuel for the pump (see Item 51) to enable an animal Watering Station to be opened.

Item 17, provides for the appointment of an overseer at the Government Nursery at Baqoura. There is no responsible man in charge of this establishment, and it is essential that it should be placed under proper and regular supervision.

Items 18, 19 and 45, provide for part of the recurrent expenses of maintenance of the new Agricultural Experimental Station which is to be established near Amman with the assistance of a grant from the Colonial Development Fund.

Item 40, shews an increase of L.P. 20 for clothing necessitated by a long overdue improvement in the scale of clothing issued to mounted staff.

Item 42. It is proposed to increase this item by L.P. 325 to L.P. 500 in order to provide for adjustment when there are patches of cultivation within demarcated forest areas, either by exchange or by expropriation, and for their reafforestation.

Items 43 and 44, shew increases of L.P. 50 and L.P. 100 respectively for maintenance of and labour for Government nurseries and are based on actual requirements, as affected by current rates of wages for casual labour.

Item 53, provides for the cost of hire of grain stores in connection with the scheme for the distribution of selected seed which is being carried out with assistance from the Colonial Development Fund.

Head XIV. Antiquities Department.

Item 18, provides for an increase of L.P. 50 for the conservation of ancient monuments. The provision of L.P. 50 hitherto made is quite insufficient for adequate maintenance of the many important monuments in the country, and urgent measures are necessary to arrest dilapidation; but the present financial situation does not permit of a greater increase than is now proposed.

Head XV. Public Works Department.

Items 19 and 20, provide for increased expenditure on technical equipment, the latter Item being principally in respect of the purchase of a new tacheometer.

Head XV(A). Public Works Recurrent.

Item 3, shews an increase of L.P. 100 for the purchase of tools and equipment. A large part of such articles is used in connection with road maintenance, and this item is, in that sense, related to Item 7.

Item 4, Rents. Has been increased by L.P. 209. The variations in hirings producing this increase comprise change or re-arrangement of premises and - in one case only - increase of rent. All the proposals occasioning these changes have been given very careful consideration and are fully justified by cogent reasons of health, efficiency or other necessity.

Item 7, shews an increase of L.P. 883 on the sum provided in 1935/36, which had itself been enhanced by the amount of L.P. 3,262 required ad hoc for the repair of flood damage. It was recommended in paragraph 302 of the O'Donnel Report in 1931 that the alottment for road maintenance should be limited to L.P. 10,000; but more than five years have passed since the deliberations of the Commission, during which circumstances in Trans-Jordan have greatly changed. It is considered that expenditure should not still be strictly limited by the recommendations of the Report where a case for latitude can be made.

In the present case the sum of L.P. 9,100 latterly hitherto appropriated for road maintenance has been increased by L.P. 900 in consideration of about 270 kilometres of roads that have been added to the Department's commitments during the last two years alone. In addition provision has been made for the expenditure of L.P. 4,000 for the resurfacing in tar-macadam of a section of the Amman - Es Salt road, which on the basis of a four years programme, will be completed in this manner approximately at the same time as the completion of the road reconstruction between Es Salt and the Allenby Bridge. It is intended by these means to make available a first class road between Amman and the Jordan. Motor traffic on this road is rapidly increasing; and with the increase of heavy traffic between Iraq and Palestine and the consequent rapid deterioration of the existing water bound surface between Amman and Es Salt, it is certain that the re-surfacing of that section in tar-macadam will result in saving in the cost of maintenance. The availability of first class uniform communication between Amman and Jerusalem will also be an advantage to Trans-Jordan by attracting a greater volume of tourist and other commercial traffic. It will be observed that the proposed increase of L.P. 4,000 will be recurrent for four years only.

Item 9, provides for the increased costs of maintenance of the Palace electric light and water supply due to the recent installation of a more powerful plant.

Head XVI. Posts and Telegraphs Department.

Item 16, provides for two additional appointments of Posts and Telegraphs clerks, required to supplement the present number of telephone operators on the installation of a new exchange. Reference is invited to the High Commissioner's Secret Trans-Jordan despatch of the 17th. September, 1936,* to the Secretary of State.

Item 44, has been increased by L.P. 175 to L.P. 475 to provide for settlement of maintenance charges due to Palestine in respect of 1935/36 which were not claimed in that year.

Head XVII. Lands Department.

Items 7, 8, 24, 26, 28 and 37, provide for increases of staff in the Directorate and in the Land Registry Branch of the Department. The scheme for acceleration of Land Settlement which is being carried out by the assistance of a grant from the Colonial Development Fund is resulting in an increased volume of work in these offices, and the new posts provided are necessary to ensure that the benefits of the scheme are fully realised.

Item 42, shews an increase of L.P. 100 necessitated by requirements and replacements of tentage much of which has recently been damaged by a contagious rot.

Item 43, shews a decrease of L.P. 600 owing to the carrying forward of stores of survey marks into the financial year under review.

Head XVIII. Police and Prisons Department.

(A) Police.

Item 27, provides for the regrading of the post of Armourer with change of the holder, and Item 28 for two new posts of Assistant Armourer. The present armourer is due for discharge and it has been found impossible to replace him at the same pay. Under present arrangements a great deal of the work of repair of arms has been done by arrangement with the Royal Air Force. This has been found to be unsatisfactory and the Officer Commanding, Arab Legion, wishes so to strengthen his armourer staff as to enable the unit to be self reliant in this respect.

Items 30 and 31, provide for two new posts in the W/T branch which were proposed in 1935/36 but approval for which was deferred in connection with the Secretary of State's Confidential telegram No. 72 of the 29th. November, 1935.†

Items 40 to 44(a), 47, 48 and 84 to 86(a) with which item 69 must also be considered, represent certain alterations which have been made in the titles and rates of pay appertaining to Arab Legion Other Ranks: these alterations do not affect the total provision in respect of the Items involved.

Items 45(a), (b) and (c) and the increase under Items 71 and 73, represent the cost of the application of the Arab Legion Reserve Scheme with the calling up of the reservists for six months. Reference is invited to the High Commissioner's telegram No. 26 of the 4th. June, 1936.††

*No. 77029/36 [No. 51] : not printed.

†No. 77103/35 [No. 46]

††No. 77133/36 [No. 3] : not printed.

Items 57(a) and (b) and the increase under item 89, are new provisions occasioned by the adoption of the motor transport scheme for Police Districts sanctioned by the Secretary of State's Secret telegram No. 49 of the 31st. July, 1936.†

Item 72, shews an increase of L.P. 210 in respect of compensation for loss of animals, necessitated by a recent revision of the rates of compensation owing to a general rise in the prices of animals in Trans-Jordan.

Item 76, has been increased by L.P. 30 to provide for additional furniture in the new M. T. Garages.

Item 78, shews an increase of L.P. 500 for Secret Service (Police) with reference to which attention is invited to the Secretary of State's Secret Trans-Jordan despatch of the 22nd. July, 1936.‡

Item 83, has been increased by L.P. 75 to allow of the augmentation of the stocks of reserve rations held in Desert Patrol outposts, and to provide for forage for the milch goats supplied at these outposts in connection with the scheme for the improvement of health services for men of the Desert Patrol propounded by Dr. MacLennan.

Item 84, provides for an increase of L.P. 66 to cover the increase of allowances payable to entitled seconded officers, following the increase of the rate of allowances in Palestine.

Item 90, has been increased by L.P. 200 owing to the fact that the three W/T sets acquired in 1935/36 are of a different pattern from those already in charge, and that it is necessary to obtain a separate supply of spare parts for the former.

Head XVIII (B). Prisons.

Items 3 to 10, represent alterations that have been made in titles and rates of pay appertaining to Arab Legion Other Ranks to which reference has been made under Head XVIII A, Police.

Item 13, shews a decrease of L.P. 1,310 in the cost of prisoners rations, based on the level of actual contract rates.

Head XVIII (C). Police. Supplementary Reserve.

The provision under this Head was necessitated by the decision conveyed by the Secretary of State's telegram No. 61 of the 26th. September, 1936.§

In view of the general improvement in the situation at the time of the submission of these revised Estimates, the Officer Commanding, Arab Legion, anticipates that it will be possible to disband this Reserve at the end of the calendar year.

Head XIX. Miscellaneous.

Item 7, shews a decrease of L.P. 995 based on the actual sum which it is calculated will be paid in respect of Pension Contributions to the Palestine Government during 1936/37. Payments in the 1934/35 and 1935/36 were inflated by disbursement of certain arrears of contribution.

Item 8, provides for an increase of L.P. 100 on Printing and Stationery due to a general development of Government activities and service and the insufficiency of present provisions.

†No. 77029/36 [No. 45]
‡No. 77029/36 [No. 41]
§No. 77133/36 [No. 14]

Head XX. Audit Department.

Item 5(a), provides for an additional clerk who has been detailed for the audit of the accounts of the Agricultural Bank. The Bank is reimbursing the Government in the cost of this service (vide supra, remarks on Revenue, Head III, Item 16, Miscellaneous reimbursements).

Head XXI. Tribal Court of Appeal.

Item 1. The Tribal Control Board, having ceased to function on the death of its President, His Highness the Amir Shakir in September, 1934, was reconstituted in a different form with its present title under His Highness the Amir Naif in the present year. The salary of the appointment of President was revised to L.P. 50 a month.

Head XXIII. Public Works Extraordinary.

Items 1, 2, 3, 6 and 7, provide for the continuation of approved works. It has been found necessary to increase the estimate of the total cost of construction of Najl Police Post under Item 2 by L.P. 100.

Item 5. The former programme of additions and improvements at the Central Prison and Arab Legion Camp, Amman, (Item 4), having been completed, it is desired to provide a further sum of L.P. 450 for certain other works that have become necessary since the former programme was put in hand.

Item 8, provides for part of the cost of acquisition of a site for and construction of a General Post Office at Amman. The present accommodation for the Department is unsatisfactory and expensive, and it is inadequate to house the new central telephone exchange the cost of acquisition of which is to be provided from a loan from the Colonial Development Fund as soon as proper premises have been made available.

Item 9, provides for part of the cost of acquisition of a site and construction of new premises for the Department of Lands. This proposal was originally submitted in the Acting High Commissioner's despatch of the 14th. September, 1935.*

Item 10, provides for the construction of four garages for the Arab Legion, in connection with the adoption of the motor transport scheme for Police Districts, vide Head XVIII A, Items 57 (a) and (b) and 89.

Item 11, provides for the construction of any armoury in which to house the stock of reserve rifles recently acquired by the Arab Legion (vide supra remarks on Head XXIV, Item 5).

Item 18, provides not only for the share of L.P. 4,500 which is borne by the Trans-Jordan Government in connection with the reconstruction of the Es Salt - Allenby Bridge road, but also for the like share which is borne by the Colonial Development Fund. This arrangement is in accordance with the revised instructions regarding the accounting for the shared cost of Colonial Development Fund Schemes.

Items 19 and 20. Expenditure under these Items, previously provided for under this Head, Public Works Extraordinary, is now shewn under a Special Head XXVIII, Relief Measures (q.v.).

* No. 77103/35 [No. 30]

Item 21, provides for the cost (other than the capital cost) of the Well Boring Scheme for which assistance has been obtained from the Colonial Development Fund, and includes provision of L.P. 200 for the cost of a test pump outfit which is necessary to determine the water capacity of bores drilled.

Head XXIV. Police and Prisons Extraordinary.

Item 1, provides for the purchase of motor vehicles in accordance with the approved replacement scheme

Item 2, provides for the replacement of machinery for the water supply plant of the Arab Legion. The present plant is many years old and is continually breaking down, and its replacement is urgently necessary.

Item 4, provides for expenditure of L.P. 150 by revote from 1935/36.

Item 5, represents the cost of reserve armament the purchase of which was confirmed as necessary in the High Commissioner's telegram No. 50 of the 13th. of October, 1936.*

Item 6, provides for acquisition on motor vehicles under the motor transport scheme for Districts sanctioned by the Secretary of State's Secret telegram No. 49 of the 31st. of July, 1936.†

Head XXXI. Expenditure out of Colonial Development Fund. Grants.

Item 1, (vide supra, remarks of Head XXIII, Item 18).

Items 2, 3 and 4, are provided in accordance with the Schemes approved by the Secretary of State's Confidential telegrams Nos. 53, 54 and 55 of the 19th. of October, 1935.‡

Items 5 and 6, are provided in accordance with the schemes approved by the Secretary of State's Confidential telegrams Nos. 70 and 71 of the 28th. of November, 1935. §

Item 7, provides for the purchase and installation of a pump for the Teneib Bore, approved by the Secretary of State in his despatch Confidential of the 23rd. of September, 1936.‖

Head XXXIII. Relief Measures.

All expenditure under this Head has been approved by the Secretary of State's telegrams No. 38 of the 17th. June, 1936, No. 57 of the 5th September, 1936, and No. 59 of the 17th, September, 1936.¶

* No. 77029/36 [No. 57]: not printed.
† No. 77029/36 [No. 45]
‡ No. 77093/35 Subfiles 4, 6 & 7 [Nos.12, 9 & 9]: not printed.
§ No. 77093/35 Subfiles 9 & 5 [Nos. 9 & 10]: not printed.
‖ No. 77093/1/36 [No. 7] : not printed.
¶ No. 77034/36 [Nos. 12, 24 & 30] : not printed.

SUMMARY :

Estimates of the Trans-Jordan Government 1936/37

Revised to-date, Showing also the opening

and closing surplus balances

	L.P.	L.P.
Surplus at the 1st April, 1936		48,500
Revenue :		
Local	277,370	
Grant-in-Aid of Trans-Jordan	55,000	
Grant-in-Aid of T.J.Frontier Force	33,840	
Grants from the Colonial Development Fund	22,130	
Grant-in-Aid of Trans-Jordan's Share of the Ottoman Public Debt	32,000	420,340
		468,840
Expenditure:		
Ordinary Expenditure of the Trans-Jordan Government	341,269	
Ordinary Expenditure of the Trans-Jordan Frontier Force	30,513	
+ Extraordinary Expenditure of the Trans-Jordan Government	40,723	
Extraordinary Expenditure of the Trans-Jorjan Frontier Force	3,327	
Expenditure out of the Colonial Development Fund Grants	17,630	
Trans-Jordan's Share of the Ottoman Public Debt - 1936/37 Annuities	32,000	465,462
Estimated Surplus at the 31st March, 1937		L.P. 3,378

+ Includes L.P. 4,500 chargeable to the Colonial Development Fund.

REVISED TO-DATE

ABSTRACT OF REVENUE

Head of Revenue	Actuals 1934/35 L.P.	Actuals 1935/36 L.P.	Approved Estimates 1935/36 L.P.	Original Estimates 1936/37 L.P.	Revised Estimates 1936/37 L.P.	Remarks
LOCAL REVENUE						1st Revised Estimates L.P.
1. Customs and Excise	98,627	104,567	83,350	86,500	108,780	101,000
2. Licences and Taxes	113,058	140,637	123,572	130,750	94,940	118,730
3. Fees of Court or Office	32,812	37,026	31,200	33,500	36,730	36,860
4. Posts and Telegraph Department	12,982	13,798	13,380	14,150	13,520	14,420
5. Revenue from Government Property	3,198	7,184	4,800	6,000	1,600	4,000
6. Interest	1,522	827	1,180	420	360	210
7. Miscellaneous	11,934	7,198	12,940	12,140	17,940	11,440
8. Sale of State Domains	2,125	2,610	1,500	2,500	3,500	3,500
Total Local Revenue	276,258	313,847	271,922	285,960	277,370	290,160
GRANTS :						
9. Grant-in-Aid of the Trans-Jordan Government	60,000	42,000	60,000	59,000	55,000	55,000
10. Grant-in-Aid of the Trans-Jordan Frontier Force	31,959	31,611	33,271	33,840	33,840	33,840
11. Grants from the Colonial Development Fund	9,300	8,172	10,380	20,490	22,130	20,165
12. Grant-in-Aid of Trans-Jordan for the Repayment of their Share of the Ottoman Public Debt					32,000	32,000
Total Grants	101,259	81,783	103,651	113,330	142,970	141,005
Total Revenue	377,517	395,630	375,573	399,290	420,340	431,165

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TRANS-JORDAN GOVERNMENT ESTIMATES 1936/37

REVISED TO-DATE

HEAD AND SUB-HEAD OF REVENUE	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head I. Customs and Excise					
1. Customs Share, Syria	1,000	1,000			
2. Customs Share, Palestine	17,000	25,000	8,000		
3. Import Duties Collected Locally	50,700	64,800	14,100		
4. Excise Duty on Intoxicating Liquors	900	950	50		
5. Excise Duty on Tobacco	9,650	11,190	1,540		
6. Examination Fees	2,150	2,650	500		
7. Miscellaneous	500	1,140	640		
8. Banderolle Duty on Matches	700	1,200	500		
9. Banderolle Duty on Cigarette Paper	700	800	100		
10. Banderolle Duty on Playing Cards	50	50	-		
Total Customs and Excise.	83,350	108,780	25,430		Net Increase L.P. 25,430
Head II. Licences and Taxes					
1. Licences, Trades and Professions	4,200	4,300	100		
2. Licences, Advocates	240	200		40	
3. Licences, Doctors and Pharmacists	60	70	10		
4. Licences, Road Transport	1,300	1,900	600		
5. Licences, Forest and Quarry	400	350		50	
6. Licences, Sale of Intoxicating Liquors	370	320		50	
7. Licences, Sale of Tobacco	550	590	40		
8. Licences, Other	40	30		10	
9. Tax, Animal	26,500	28,000	1,500		
10. Tax, House and Land	9,300	8,400		900	
11. Tax, Income	5,200	4,500		700	
12. Tax, Land	41,772	27,500		14,272	
13. Tax, Road	2,300	750		1,550	
14. Tax, Consolidated	4,000	1,200		2,800	
15. Tax, Tithes	14,200	5,000		9,200	
16. Stamp Duty	6,400	6,700	300		
Carried Forward	116,832	89,810	2,550	29,572	

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Head and Sub-Head of Revenue	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head II. Licences and Taxes (Continued)					
Brought Forward	116,832	89,810	2,550	29,572	
17. Allenby Bridge Tolls	3,500	2,800		700	
18. Zerkat Ma'een Thermal Baths	240	130		110	
19. Fines and Forfeitures	3,000	2,200		800	
Total Licences and Taxes	123,572	94,940	2,550	31,182	Net Decrease L.P. 28,632.
Head III. Fees of Court or Office					
1. Court Fees, Civil	5,000	6,200	1,200		
2. Court Fees, Sharia	3,200	4,330	1,130		
3. Court Fees, Tribal	50	20		30	
4. Notarial Fees	1,000	-		1,000	
5. Land Registry Fees	5,000	5,450	450		
6. Land Settlement Fees	-	600	600		
7. Passport Fees	1,000	1,400	400		
8. Nationality Certificates	220	300	80		
9. Tourist Fees	700	800	100		
10. Public Health and Hospital Receipts	580	700	120		
11. Veterinary and Animal Quarantine Fees	1,200	1,300	100		
12. Education and School of Arts and Crafts Receipts	700	950	250		
13. Sale of Maps and Publications	200	150		50	
14. Sale of Departmental Stores	650	400		250	
15. Pension Contributions	11,250	13,000	1,750		
16. Miscellaneous Re-embursements	300	1,080	780		
17. Registration of Trade Marks	150	50		100	
Total Fees of Court or Office	31,200	36,730	6,960	1,430	Net Increase L.P. 5,530

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Head and Sub-Head of Revenue	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head IV. Posts and Telegraph Department					
1. Sale of Stamps	3,100	3,100			
2. Commission on Postal Orders	250	250			
3. Telephone Rentals and Installations	2,800	3,100	300		
4. Telephone Trunk Calls	4,730	4,600		130	
5. Telegrams	1,730	1,400		330	
6. Parcel Post	600	900	300		
7. Post Office Box Rentals	70	70			
8. Miscellaneous	100	100			
Total Posts and Telegraph Department	13,380	13,520	600	460	Net Increase L.P. 140.
Head V. Revenue from Government Property					
1. Revenue from Land and Building	3,000	600		2,400	
2. Forest and Other State Domains Revenues	1,800	1,000		800	
Total Revenue from Government Property	4,800	1,600		3,200	Net Decrease L.P. 3,200.
Head VI. Interest					
1. Bank Balances	20	20			
2. Earthquake Relief Loans	30	20		10	
3. Agricultural Loans	1,030	10		1,020	
4. Joint Colonial Fund	100	250	150		
5. Miscellaneous	-	60	60		
Total Interest	1,180	360	210	1,030	Net Decrease L.P. 820.
Head VII.- Miscellaneous					
1. Miscellaneous	640	640			
2. Share of Profits from the Palestine Currency	10,000	15,000	5,000		
3. Royalties, Dead Sea Concession	1,800	1,800			
4. Annual Payment by the Anglo-Persian Oil Company	500	500			
Total Miscellaneous	12,940	17,940	5,000		Net Increase L.P. 5,000.

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Head and Sub-Head of Revenue	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head VIII.- Sale of State Domains					
1. Sale of State Domains	1,500	2,690	1,190		
2. Contracted Rents Preliminary to Final Disposal	-	810	810		
	1,500	3,500	2,000		Net Increase L.P. 2,000
Head IX.- Grant-in-Aid of the Trans-Jordan Government	60,000	55,000		5,000	Net Decrease L.P. 5,000
Head X.- Grant-in-Aid of the Trans-Jordan Frontier Force	33,271	33,840	569		Net Increase L.P. 569.
Head XI. Grants from the Colonial Development Fund					
1. Es-Salt - Allenby Bridge Road	5,000	4,500		500	
2. Improvement of Trans-Jordan Water Supplies	950	475		475	
3. Agricultural Experimental Station	-	6,415	6,415		
4. Seed Propagation	1,020	1,432	412		
5. Sinking Artesian Bores in the Desert	1,750	1,794	44		
5. Land Settlement	1,000	5,934	4,934		
7. Development	-	1,580	1,580		
8. Haifa - Baghdad Railway Survey	660	-		660	
Grants from the Colonial Development Fund	10,380	22,130	13,385	1,635	Net Increase L.P. 11,750
Head XII.- Grant-in-Aid of the Trans-Jordan Government for Payment of their Share of The Ottoman Public Debt		32,000	32,000		Net Increase L.P. 32,000.

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TRANS-JORDAN GOVERNMENT ESTIMATES 1936/37

REVISED TO-DATE

ABSTRACT OF EXPENDITURE

Head of Expenditure	Actuals 1934/35 L.P.	Actuals 1935/36 L.P.	Approved Estimates 1935/36 L.P.	Original Estimates 1936/37 L.P.	Revised Estimates 1936/37 L.P.	Remarks	1st Revised Estimates
Ordinary Expenditure							1st Revised Estimates
1. Civil List	14,534	15,329	15,380	15,437	15,708		15,726
2. Public Debt and Loan Charges	1,340	1,148	2,383	1,455	241		241
3. Legislature	1,986	3,699	3,820	3,841	3,773		3,841
4. Pensions and Gratuities	9,479	11,064	9,000	10,400	10,400		10,400
5. Chief Minister and Interior	3,753	3,899	4,113	4,259	4,283		4,283
6. District Administration	10,035	9,667	10,075	10,181	10,109		10,157
7. Ministry of Justice	15,827	16,047	16,792	17,839	16,277		17,787
8. Sharia Courts	3,869	3,901	3,976	4,099	4,019		4,099
9. Ministry of Finance	11,032	11,256	11,433	12,123	11,754		12,195
10. Customs and Excise	7,543	7,569	8,467	9,296	8,945		9,296
11. Public Health Department	12,762	13,763	14,209	17,675	15,476		17,675
12. Education Department	23,324	24,207	25,123	26,858	24,770		27,168
13. Agriculture, Forests and Veterinary Dept.	7,151	7,411	8,048	11,255	9,470		10,485
13(a) Co-operative Societies	-	-	-	552	-		384
14. Antiquities Department	2,500	2,558	2,810	3,011	2,676		2,796
15. Public Works Department	4,584	4,637	4,724	5,334	4,893		5,334
15(a) Public Works Recurrent	18,918	23,308	23,231	25,275	24,203		24,295
16. Posts and Telegraph Department	13,903	13,661	15,112	16,098	16,348		16,706
17. Lands Department	13,509	15,617	16,331	17,106	16,884		17,136
18. Police and Prisons Department (a) Police	99,721	101,998	103,777	104,856	109,143		105,202
(b) Prisons	11,549	11,004	13,545	12,783	12,061		12,783
(c) Supplementary Reserve					5,927		
19. Miscellaneous	9,560	9,682	10,017	9,515	9,120		9,515
20. Audit Department	3,253	3,672	3,722	3,787	3,917		4,007
21. Tribal Court of Appeal	766	181	1,112	1,112	872		872
	300,898	315,278	327,200	344,147	341,269		342,383
22. Trans-Jordan Frontier Force	27,527	28,531	29,654	30,513	30,513		30,513
Total Ordinary Expenditure	328,425	343,809	356,854	374,660	371,782		372,896

Head of Expenditure	Actuals 1934/35 L.P.	Actuals 1935/36 L.P.	Approved Estimates 1935/36 L.P.	Original Estimates 1936/37 L.P.	Revised Estimates 1936/37 L.P.	Remarks	1st Revised Estimates
Ordinary Expenditure (Total Brought Forward)	328,425	343,809	356,854	374,660	371,782		372,896
Extraordinary Expenditure							
23. Public Works	8,567	19,796	11,571	28,850	15,808	23. (Includes L.P.4,500	26,888
24. Police and Prisons	2,818	2,571	2,607	4,425	5,660	(chargeable to	6,675
25. Agriculture, Forests and Veterinary Dept.	289		600	1,874		(the C.D.F. See	
26. Public Health	252	225	530	250		(also item 1 of	530
27. Ministry of Finance	1,986	453	8,675	650		(Rev. Head XI.	8,225
28. Posts and Telegraph		6,906	900	7,000			3,000
29. Antiquities				500			500
33. Relief Measures	14,824	150	150		19,255		
His Highness the Amir	2,957						
	31,693	30,101	25,033	43,549	40,723		
30. Trans-Jordan Frontier Force	4,432	3,079	3,617	3,327	3,327		3,327
31. Expenditure out of Colonial Development Fund Grants	4,845	4,311	15,034	20,490	17,630		15,665
32. Trans-Jordan's Share of the Ottoman Public Debt (Annuity Due in 1936/37)					32,000		32,000
Total Extraordinary Expenditure	40,970	37,491	43,684	67,366	93,680		96,810
Total Expenditure	369,395	381,300	400,538	442,026	465,462		469,706

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TRANS-JORDAN GOVERNMENT ESTIMATES OF EXPENDITURE, 1936/37 - REVISED TO DATE

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head I.- Civil List					
A. Personal Emoluments					
1. His Highness the Amir					
(a) H.H.'s Personal Allotment	12,180	12,574	394		
(b) His Highness the Air Talal	1,320	1,215		105	
2. Personal Adviser L.P. 38-2-46.	552	552			
3. Secretary L.P. 32-1-37.	429	444	15		3. Due to increase of salary in 1935/36.
4. Doctor L.P. 26-1-31	348	360	12		4. Increment.
5. Clerk and Imam L.P. 13-½-16.	159	165	6		5. Increment.
6. Clerk L.P. 9-½-12.	111	117	6		6. Increment.
9. Driver at L.P. 15 p.m.	180	180			
10. Orderly at L.P. 3 p.m.	36	36			
Total Personal Emoluments	15,315	15,643	433	105	
B. Other Charges					
11. Transport and Travelling	50	50			
12. Lighting and Heating	10	10			
13. Contingencies	5	5			
Total Other Charges	65	65			
Total Civil List	15,380	15,708	433	105	Net Increase L.P. 328.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head II. - Public Debt and Loan Charges					
1. Interest on Loan from His Majesty's Government	353	241		112	
2. Interest on Loans from the Palestine Government	1,400			1,400	
3. Payment on Account of Loan from the Palestine Government for the Iraq Telephone Circuit	630			630	
Total Public Debt and Loan Charges	2,383	241		2,142	Net Decrease L.P. 2,142
Head III. Legislature					
A. Personal Emoluments					
1. 16 members @ L.P. 200 each p.a.	3,200	3,200			
2. Secretary L.P. 17-½-20	204	207	3		
3. Clerk L.P. 9-½-12	144	144			
4. Compensatory Allowance	4	4			
5. Orderly @ 3 p.m.	18	18			
Total Personal Emoluments	3,570	3,573	3		
B. Other Charges					
6. Transport and Travelling	220	170		50	
7. Lighting and Heating	10	10			
8. Contingencies	10	10			
9. Postage, Telegrams and Telephones	10	10			
Total Other Charges	250	200		50	
Total Legislature	3,820	3,773	3	50	Net Decrease L.P. 47.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head IV. - Pensions and Gratuities					
1. Pensions	6,100	7,500	1,400		
2. Gratuities	2,900	2,900			
	9,000	10,400	1,400		Net Increase L.P. 1,400.
Head V. - Chief Minister and Interior.					
A. Personal Emoluments.					
1. Chief Minister Special	1,200	1,200			
2. Administrative Inspector L.P. 38-2-46	489	513	24		2. Increment
3. Secretary L.P. 38-2-46	480	504	24		3. Increment
4. Assistant Secretary L.P. 21-1-25	300	252		48	4. Change of holder
5. Chief Clerk L.P. 17-½-20	210	204		6	5. Change of holder
6. Clerk L.P. 13-½-16	162	168	6		6. Increment
7. 2 Clerks L.P. 9-½-12	258	288	30		7. Change of holder
8. Compensatory Allowance	4	4			
9. Orderlies	120	120			
Total Personal Emoluments	3,223	3,253	84	54	
B. Other Charges.					
10. Transport and Travelling	500	500			
11. Lighting and Heating	20	20			
12. Contingencies	10	10			
13. Postage, Telegrams and Telephones	120	150	30		
14. Secret Service	240	340	100		
15. Purchase of Legal Books		10	10		
Total Other Charges	890	1,030	140		
Total Chief Minister and Interior	4,113	4,283	224	54	Net Increase L.P. 170.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head VI. - District Administration.					
1. 4 Mutasarrifs L.P. 32-1-37	1,704	1,736	32		1. Increment.
2. 4 Kaimakams L.P. 21-1-25	1,171			1,171	2. See items 3 and 4.
3. 3 Kaimakams L.P. 21-1-25		879	879		3. From item 2.
4. 2 Kaimakams L.P. 17-½-20		259	259		4. One post from item 2 and one new post from 1.1.37 (See item 7).
5. 3 Mudir Nahias L.P. 13-½-16	526			526	5. See items 6 and 7.
6. 2 Mudir Nahias L.P. 13-½-16		331	331		6. From item 5.
7. 1 Mudir Nahia L.P. 13-½-16		144	144		7. From item 5, 9 months' provision to 31.12.36. This post is to be replaced by the new post in item 4.
8. 8 Clerks L.P. 9-½-12	1,146			1,146	8. See item 9.
9. 9 Clerks L.P. 9-½-12		1,120	1,120		9. From item 8 with one new post from 1.1.36. Decrease is due to change of holders.
10. 5 Clerks L.P. 6-½-8	431	471	40		10. Increment and change of holder of one post.
15. Compensatory Allowance	27	19		8	
16. 34 Tax Collectors at L.P. 7 p.m.	2,856	2,856			
17. Orderlies	324	324			
Total Personal Emoluments	8,185	8,139	2,805	2,851	
B. Other Charges.					
18. Transport and Travelling	1,400	600		800	18. See item 19.
19. Forage Allowance		800	800		19. From item 18.
20. Contingencies	25	40	15		20. Present provision insufficient
21. Lighting and Heating	65	80	15		21. Present provision insufficient
22. Postage, Telegrams and Telephones	400	450	50		
Total Other Charges	1,890	1,970	880	800	
Total District Administration	10,075	10,109	3,685	3,651	Net Increase L.P. 34

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head VII. - Ministry of Justice.					
A. Personal Emoluments.					
1. Minister of Justice (Vacant)					
2. Judicial Adviser (Special)	1,342	700		642	2. Due to vacancy of post for part of the year.
3. Superintendent L.P. 26-1-31	318	330	12		3. Increment.
4. 2 Clerks L.P. 13-½-16	384	384			
5. Clerk L.P. 9-½-12	138	144	6		5. Increment.
10. Compensatory Allowance	5	5			
11. Orderlies	72	72			
Court of Appeal					
13. President L.P. 48-2-58	675	696	21		13. Increment.
14. 2 members L.P. 32-1-37	888	888			
15. Member L.P. 26-1-31	321	333	12		15. Increment.
16. Chief Clerk L.P. 13-½-16	192	192			
17. Clerk L.P. 9-½-12	138	144	6		17. Increment.
18. Clerk L.P. 6-½-8	96	96			
19. Compensatory Allowance	3	3			
20. Process Server at L.P. 4 p.m.	48	48			
27. 2 Orderlies	60	60			
Attorney General.					
28. Attorney General L.P. 28-2-46	555	552		3	28. Correction of error.
29. Clerk L.P. 9-½-12	142	144	2		29. Increment.
30. Clerk L.P. 6-½-8	83	89	6		30. Increment.
District Courts.					
32. President L.P. 32-1-37	444	384		60	32. Change of holder.
33. 2 Presidents L.P. 21-1-25	580	600	20		33. Increments.
34. 2 members L.P. 21-1-25	600	504		96	34. Change of holders.
35. 3 members L.P. 17-½-20	686	676		10	35. Change of holders.
36. 4 Public Prosecutors L.P. 17-½-20	860	835		25	36. Change of holders.
37. Execution Officer L.P. 13-½-16	192	192			
38. 3 Chief Clerks L.P. 13-½-16	488	510	22		38. Increment and change of holders.
39. 3 Clerks L.P. 9-½-12	426	432	6		39. Increment.
40. 13 Clerks L.P. 6-½-8	1,196	1,237	41		40. Increments.
Total Carried Forward	10,932	10,250	154	836	

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Brought Forward	10,932	10,250	154	836	
49. Compensatory Allowance	18	8		10	
50. 11 Process Servers	528	528			
51. Orderlies	108	108			
Magistrates' Courts.					
52. 2 Magistrates L.P. 21-1-25	531	521		10	52. Change of holders.
53. 4 Magistrates L.P. 17-½-20	929	913		16	53. Change of holders.
54. 7 Clerks L.P. 9-½-12	995	976		19	54. Change of holders.
55. 2 Clerks L.P. 6-½-8	192	192			
58. Compensatory Allowance	13	9		4	
59. 11 Process Servers	528	528			
60. Orderly	24	24			
61. Notary Public L.P. 13-½-16	174	180	6		
Total Personal Emoluments	14,972	14,237	160	895	
B. Other Charges.					
62. Transport and Travelling	790			790	62. See items 63 and 64.
63. Forage Allowances		345	345		63.) From item 62 with necessary
64. Hire of Transport		500	500		64.) increase of L.P. 55.
65. Lighting and Heating	80	100	20		65. Present provision insufficient.
66. Contingencies	35	35			
67. Postage, Telegrams and Telephones	300	400	100		
68. Clothing, Process Servers	70	70			
69. Medico-Legal Expenses	450	500	50		69. Present provision insufficient.
70. Tribal Court Expenses	75	40		35	
71. Purchase of Legal Books	20	20			
72. Ministry of Justice Publication		30	30		
Total Other Charges	1,820	2,040	1,045	825	
	16,792	16,277	1,205	1,720	Net Decrease L.P. 515.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head VIII. - Sharia Courts.					
A. Personal Emoluments.					
1. Kadi El Kuda (Vacant)					
2. Chief Clerk L.P. 13-½-16	192	192			
3. Mudir Aytam L.P. 13-½-16	171	177	6		3. Increment.
4. Clerk L.P. 6-½-8	96	96			
5. Orderly @ L.P. 3 p.m.	36	36			
Courts					
6. 2 Kadis L.P. 21-1-25	600	600			
7. 5 Kadis L.P. 17-½-20	1,180	1,194	14		7. Increments.
8. 7 Clerks L.P. 9-½-12	941	959	18		8. Increments.
9. 7 Process Servers @ L.P. 4 p.m.	336	336			
10. 2 Mufties L.P. 6-½-8	190	192	2		
14. Compensatory Allowance	47	47			
Total Personal Emoluments	3,789	3,829	40		
B. Other Charges.					
16. Transport and Travelling	130			130	16. See items 17 and 18.
17. Hire of Transport etc.		65	65		17. From item 16.
18. Forage Allowances		65	65		18. From item 16.
19. Lighting and Heating	20	20			
20. Contingencies	7	10	3		
21. Postage, Telegrams and Telephones	25	25			
22. Purchase of Books	5	5			
Total Other Charges	187	190	133	130	
Total Sharia Courts.	3,976	4,019	173	130	Net Increase L.P. 43.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head IX. Ministry of Finance					
A. Personal Emoluments					
1. Treasurer L.P. 48-2-58	675	696	21		1. Increment.
2. Financial Adviser L.P. 800+25-1,000+100	1,083	1,180	97		2. Increment and Cost of Living Allowance.
3. 2 Assistant Treasurers L.P. 26-1-31	741	744	3		
4. Controller of Stores L.P. 21-1-25	300	300			
5. 2 Treasury Accountants L.P. 21-1-25	600	600			
6. Chief Clerk L.P. 17-½-20	221	227	6		6. Increment.
7. Assistant Treasurer	231	237	6		7. Increment.
8. 3 Sub-Accountants L.P. 17-½-20	638	656	18		8. Increments.
9. 5 Sub-Accountants L.P. 13-½-16	890	920	30		9. Increments.
10. Sub-Accountant L.P. 13-½-16		39	39		10. New post from 1.1.37.
11. Assistant Sub-Accountant L.P. 13-½-16	192	192			
12. 15 Clerks L.P. 9-½-12	1,956	1,978	22		12. Increments.
13. 11 Clerks L.P. 6-½-8	962	972	10		13. Increments and change of holders.
14. Reserve Revenue Officer at L.P. 7 p.m. for 3 months	21	21			
15. 2 Apprentices @ L.P. 3 p.m. each		18	18		15. New posts from 1.1.37.
16. Compensatory Allowance	35	27		8	
17. Orderlies	360	369	9		17. New post from 1.1.37.
Total Personal Emoluments	8,905	9,176	279	8	
B. Other Charges					
18. Transport and Travelling	550	600	50		
19. Lighting and Heating	70	70			
20. Contingencies	38	38			
21. Postage, Telegrams and Telephones	400	400			
22. Cost of Tithe Estimation	120	120			
23. Cost of Animal Ennumeration	1,350	1,350			
Total Other Charges	2,528	2,578	50	-	
Total Ministry of Finance	11,433	11,754	329	8	Net Increase L.P. 321

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head X.- Customs and Excise					
A. Personal Emoluments					
1. Director (Special)	1,000	1,000			
2. Inspector L.P. 26-1-31	318	330	12		2. Increment.
3. Examiner L.P. 17-½-20	234	240	6		3. Increment.
4. Customs and Excise Officer L.P. 17-½-20	240	240			
5. 6 Customs and Excise Officers L.P. 13-½-16	1,126			1,126	5. See items 6 and 7.
6. Chief Clerk L.P. 13-½-16		192	192		6.) From item 5.
7. 5 Customs and Excise Officers L.P. 13-½-16		954	954		7.) From item 5.
8. 12 Customs & Excise Officers L.P. 9-½-12	1,592	1,628	36		8. Increments.
9. 7 Customs and Excise Officers L.P. 6-½-8	637	652	15		9. Increments.
10. Compensatory Allowance	13	5		8	
11. Customs and Excise Officer L.P. 17-½-20		198	198		11.) New posts from
12. Customs and Excise Officer L.P. 13-½-16		154	154		12.) 1.5.1936.
13. 2 Head Guards @ L.P. 6 p.m. each	144	144			
14. 19 Guards @ L.P. 5 p.m. each	1,140	1,140			
15. 4 Guards @ L.P. 5 p.m. each		220	220		15. New posts from 1.5.1936.
22. Apprentice @ L.P. 3½ p.m.	42	42			
23. Porters	285	285			
24. Orderlies and Watchmen	156	156			
Total Personal Emoluments	6,927	7,580	1,787	1,134	
B. Other Charges					
25. Transport and Travelling	730			730	25. See items 26 and 27.
26. Hire of Transport, etc.		450	450		26.) From item 25. Increase of
27. Forage Allowance		300	300		27.) L.P. 20.
28. Lighting and Heating	35	40	5		28.)
29. Contingencies	50	50			) Present provision
30. Postage, Telegrams and Telephones	100	125	25		30.) insufficient.
31. Clothing	90	100	10		31.)
32. Rewards and Gratuities	200	200			
33. Bandcrolles	335	100		235	
Total Other Charges	1,540	1,365	790	965	
Total Customs and Excise	8,467	8,945	2,577	2,099	Net Increase L.P. 478

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	
Head XI.- Public Health Department					
A. Personal Emoluments					
1. Director Special	750	750			
2. Chief Clerk L.P. 17-½-20	234	240	6		2. Increment.
3. Clerk L.P. 13-½-16	186	192	6		3. Increment.
4. Clerk L.P. 9-½-12	144	144			
5. Storekeeper L.P. 9-½-12	111	117	6		5. Increment.
6. Ambulance Driver @ L.P. 8 p.m.	96	96			
7. Orderly @ L.P. 3 p.m.	36	36			
Government Hospital at Amman					
8. Medical Officer L.P. 26-1-31	372	355		17	8. Change of holder.
9. Dispenser L.P. 21-1-25	288	300	12		9. Increment.
10. Matron L.P. 9-½-12	144	144			
11. 2 Nurses L.P. 6-½-8	171	168		3	11. Change of holder of one post.
12. 4 Attendants @ L.P. 5 p.m. each	210	240	30		12. One of the posts was provided for 6 months only in 1935/36.
13. Wardmaid @ L.P. 4 p.m.	48	48			
21. Cook, Washerwoman and Servant	126	126			
Government Hospital at Irbid					
22. Medical Officer L.P. 26-1-31		372	372		22. From item 33.
23. Nurse L.P. 6-½-8	87	91	4		23. Increment.
24. Attendant @ L.P. 5 p.m.	60			60	24. See item 25.
25. Wardmaid @ L.P. 5 p.m.		60	60		25. From item 24; change of title.
26. Assistant Dispenser @ L.P. 5 p.m.	60	60			
29. Cook, Washerwoman and Servant	108	108			
Government Laboratory, Amman					
30. Bacteriologist L.P. 32-1-37	444	444			
31. Assistant Bacteriologist L.P. 9-½-12	144	144			
Districts					
32. Medical Officer L.P. 32-1-37	444	444			
33. 9 Medical Officers L.P. 26-1-31	3,227			3,227	33. See items 22 and 34.
34. 8 Medical Officers L.P. 26-1-31		2,915	2,915		34. From item 33.
35. 3 Anti-Malarial Inspectors L.P. 9-½-12	395	407	12		35. Increments.
Carried Forward	7,885	8,001	3,423	3,307	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Brought Forward	7,885	8,001	3,423	3,307	
36. Anti-malarial Inspector L.P. 6-½-8	96	96			
37. Anti-malarial Inspector L.P. 7 p.m.	84	84			)4 of these posts were provided
38. 5 Clerks L.P. 6-½-8	240	396	156		38.) for 6 months only in 1935/36.
39. Infant Welfare Nurse L.P. 9-½-12	118	124	6		39. Increment.
40. Public Health Orderly L.P. 9-½-12	135	141	6		40. Increment.
41. 2 Public Health Orderlies @ L.P. 7 p.m.	168	168			
42. 4 Public Health Orderlies @ L.P. 6 p.m.	288	288			
43. 5 Attendants @ L.P. 5 p.m.	360	360			
55. Compensatory Allowances	75	75			
56. 2 Watchmen @ L.P. 3 p.m. each	72	72			
Total Personal Emoluments	9,521	9,805	3,591	3,307	
B. Other Charges					
57. Transport and Travelling	800			800	57. See items 58 and 59
58. Hire of Transport, etc.		500	500		58. From item 57.
59. Forage Allowances		300	300		59. From item 57.
60. Lighting and Heating	50	70	20		60. Present provision insufficient.
61. Contingencies	20	20			
62. Postage, Telegrams and Telephones	125	125			
63. Treatment of Government patients in Private Hospitals	600	400		200	
64. Stores and Equipment	1,000	1,215	215		
65. Epidemic Measures	400	500	100		
66. Anti-malarial measures	250	450	200		
67. Vaccines, Sera, etc.	150	150			
68. Medical Library	12	12			
69. Notification of Births and Deaths	180	180			
70. Deiting Staff and Patients	600	600			
71. Subsidy, Es Salt Hospital	396	396			
72. Colonial Medical Fund	5	5			
73. Share of Cost of Desert Mobile Medical Unit		648	648		
74. Clothing	100	100			
Total Other Charges	4,688	5,671	1,983	1,000	
Total Public Health Department	14,209	15,476	5,574	4,307	Net Increase L.P. 1,267

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XII. Education Department					
A. Personal Emoluments:					
1. Director L.P. 38-2-46	552	468		48	1. Change of holder.
2. Inspector L.P. 26-1-31	372	372			
3. Inspector L.P. 21-1-25	252	259	7		3. Increment.
4. Chief Clerk L.P. 17-½-20	240	240			
5. Clerk L.P. 9-½-12	144	144			
6. Accountant L.P. 9-½-12	144	144			
7. Store Keeper L.P. 6-½-8	96	96			
13. Compensatory Allowances	24	7		17	
14. Orderly	36	36			
Boys Schools					
15. Headmaster L.P. 21-1-25	259	271	12		15. Increment.
16. 3 Headmasters L.P. 17-½-20	675	693	18		16. Increment.
17. 6 masters L.P. 17-½-20	1,317	1,321	4		17. Changes in holders.
18. 6 masters L.P. 13-½-16	1,013	1,050	37		18. Increments.
19. 9 Headmasters L.P. 9-½-12	1,278	1,263			15. Changes in holders.
20. 15 masters L.P. 9-½-12	2,000	2,064	64		20. Increments.
21. 44 masters L.P. 6-½-8	4,009	4,124	115		21. Increments.
22. 31 Village School masters L.P. 6-½-8	2,843	2,746		97	22. Changes in holders.
23. 3 Relieving masters @ L.P. 6 p.m. for 4 months	72	72			
30. Compensatory Allowance	94	94			
31. Orderlies, Servants etc.	402	402			
Girls Schools					
32. 3 Headmistresses L.P. 13-½-16	576	576			
33. 5 Headmistresses L.P. 9-½-12	599	627	28		33. Increments.
34. 10 Mistresses L.P. 9-½-12	1,267	1,291	24		34. Increments.
35. 13 Mistresses L.P. 6-½-8	1,108	1,162	54		37. Increments.
38. Compensatory Allowance	10	5		5	
39. Servants, etc.	300	300			
School of Arts and Crafts					
40. Director L.P. 17-½-20	240	140			
Carried Forward	19,922	20,067	363	218	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	
Brought Forward	19,922	20,067	363	218	
41. Master Smith L.P. 13-½-16	183	189	6		41. Increment.
42. Master Carpenter L.P. 9-½-12	144	144			
43. Accountant L.P. 9-½-12	126	132	6		43. Increment.
44. Master Cane worker L.P. 6-½-8	89	95	6		44. Increment.
45. Master Upholsterer L.P. 6-½-8	76	82	6		45. Increment.
46. Master Reading and Writing L.P. 6-½-8	75	81	6		46. Increment.
51. Compensatory Allowances	7	7			
52. Cook, Washerwoman and servant	210	210			
Total Personal Emoluments	20,832	21,007	393	218	
B. Other Charges					
53. Hire of Transport	320	370	50		
54. Lighting and Heating	86	86			
55. Contingencies	62	62			
56. Postage, Telegrams and Telephones	75	110	35		
57. Rations, School of Arts and Crafts	600	600			
58. Books and School Equipment	950	950			
59. Stores and Equipment: School of Arts and Crafts	878	600		278	
60. Water	85	85			
61. Training School Fees	570			570	61. See item 63
62. Cost of Training of 2 pupils and 2 teachers in the Kadoorie Agricultural School	665			665	62. See item 63.
63. Technical and Higher School Training Fees		840	840		63. From items 61 and 62.
64. Commission on Sale of School of Arts and Crafts Products		60	60		
Total Other Charges	4,291	3,763	985	1,513	
Total Education Department	25,123	24,770	1,378	1,731	Net Decrease L.P. 353.

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47306-1

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	
Head XIII.- Agriculture, Forests and Veterinary Department					
A. Personal Emoluments					
1. Director L.P. 38-2-46	552	552		39	
2. Agricultural Assistant L.P. 21-1-25	300	261		39	2. Change of holder.
3. 2 Agricultural Assistants L.P. 17-½-20	425			425	
4. 3 Agricultural Assistants L.P. 17-½-20		616	616		4. From items 3 and 12.
5. Clerk L.P. 9-½-12	144	144			
6. 2 Clerks L.P. 6-½-8	180	173		7	6. Change of holders.
7. Orderly	36	36			
Districts					
8. 6 Agricultural Officers L.P. 9-½-12	730	752	22		8. Increments.
9. Chief Forest Ranger L.P. 26-1-31	372	372			
10. Leading Forest Ranger L.P. 9-½-12	111	114	3		
11. 10 Forest Guards @ L.P. 5 p.m. each	600	600			
12. Overseer of Gardens L.P. 17-½-20	206			206	12. See item 4.
13. Assistant Overseer of Gardens L.P. 9-½-12	110	108		2	
14. 2 Overseers of Experimental Stations @ L.P. 7 p.m. each	168	168			
15. Collector of Revenue @ L.P. 5 p.m.	60	60			
16. Pumpman for Tuneib Watering Station @ L.P. 5 p.m.		25	25		16. New post from 1.11.1936.
17. Overseer, Bagoora Nursery L.P. 9-½-12		27	27		17. New post from 1.1.37.
Amman Agricultural Experimental Station					
18. Assistant Technical Officer L.P. 13-½-16		78	78		18. New post from 1.1.37.
19. Labour - 3 men @ L.P. 3 p.m. each		27	27		19. New posts from 1.1.37.
Veterinary					
20. Chief Veterinary Officer L.P. 26-1-31	372	360		12	20. Present holder on contract at L.P. 30 p.m.
21. Veterinary Officer L.P. 21-1-25	252	252			
22. Assistant Veterinary Officer L.P. 9-½-12	144	144			
32. Syce @ L.P. 3 p.m.	36	36			
33. Compensatory Allowances	39	25		14	
Total Personal Emoluments	4,837	4,930	798	705	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	
Total Brought Forward	4,837	4,930	798	705	
B. Other Charges					
34. Transport and Travelling	725			725	34. See items 35 and 36.
35. Forage Allowances		526	526		35.) From item 35 will
36. Hire of Transport, etc.		374	374		36.) of L.P. 175.
37. Lighting and Heating	25	25			
38. Contingencies	20	20			
39. Postage, Telegrams and Telephones	45	85	40		
40. Clothing	48	68	20		
41. Veterinary Stores and Equipment	40	40			
42. Pruning and Afforestation	125	500	375		
43. Maintenance of Nurseries	300	350	50		
44. Labour and Nurseries	350	450	100		
45. Maintenance of Experimental Stations	250	674	424		
46. Maintenance of El-Ghor Nursery	400	400			
47. Maintenance of School Gardens	400	400			
48. Purchase of Books	15	15			
49. Locust Control Committee (London)	68	68			
50. Epidemic Measures	400	400			
51. Maintenance of Tuneib Watering Station		15	15		
53. Seed Propagation		130	130		
Total Other Charges	3,211	4,540	2,054	725	
	8,048	9,470	2,852	1,430	Net Increase L.P. 1,422.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	
Head XIV. - Antiquities Department.					
A. Personal Emoluments					
1. Director L.P. 38-2-46	489	513	24		1. Increment.
2. Inspector Special	700	450		250	2. Due to change of holder and vacancy of post for 3 months.
3. Assistant Inspector L.P. 13-½-16	159	156		3	
4. 2 Assistant Inspectors L.P. 9-½-12	255	255			
5. Clerk L.P. 9-½-12	132	138	6		5. Increment.
6. Compensatory Allowance	22	5		17	
7. 4 Guards	426	426			
8. Orderly @ L.P. 3 p.m.	36	36			
Total Personal Emoluments	2,219	1,979	30	270	
B. Other Charges.					
9. Transport and Travelling	430			430	9. See items 10 and 11.
10. Forage Allowances		260	260		10.) From item 9 with increase
11. Hire of Transport, etc.		225	225		11.) of L.P. 55.
12. Lighting and Heating	8	8			
13. Contingencies	3	4	1		
14. Clothing	45	45			
15. Postage, Telegrams and Telephones	30	30			
16. Redemption of Antiquities	10	10			
17. Books and Publications	15	15			
18. Conservation	50	100	50		
Total Other Charges	591	697	536	430	
Total Antiquities Department.	2,810	2,676	566	700	Net Decrease L.P. 134.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XV. Public Works Department.					
A. Personal Emoluments.					
1. Director L.P. 48-2-58	696	696			
2. 3 Technical Assistants L.P. 26-1-31	1,116	1,116			
3. 2 Draughtsmen L.P. 17-½-20	454	460	6		3. Increment.
4. Chief Clerk L.P. 17-½-20	234	240	6		4. Increment.
5. Accountant L.P. 13-½-16	192	192			
6. Stores Clerk L.P. 9-½-12	144	144			
7. Storekeeper L.P. 9-½-12	138	144	6		7. Increment.
8. 3 Clerks L.P. 9-½-12	410	424	14		8. Increment.
9. 2 Clerks L.P. 6-½-8	190	192	2		
13. Compensatory Allowance	55	55			
14. Orderlies, Porters etc.	150	150			
Total Personal Emoluments	3,779	3,813	34		
B. Other Charges					
15. Transport and Travelling	700	700			
16. Lighting and Heating	15	15			
17. Contingencies	10	10			
18. Postage, Telegrams and Telephones	150	200	50		
19. Drawing Materials	30	35	5		
20. Engineering Instruments	20	100	80		
21. Purchase of Books	20	20			
Total Other Charges	945	1,080	135	-	
Total Public Works Department	4,724	4,893	169	-	Net Increase L.P. 169

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47306-1

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XV A. - Public Works Recurrent					
1. Maintenance of Government Buildings	1,900	1,900			
2. Minor New Works	500	500			
3. Tools and Equipment	200	300	100		
4. Rents	5,769	5,978	209		
5. Furniture, Government Offices	375	250		125	
6. Furniture, Schools	525	525			
7. Maintenance of Roads	13,312	14,000	688		
8. Maintenance of H.H's Residence	200	200			
9. Maintenance of H.H's Electric Light and Water Supply	450	550	100		
Total Public Works Recurrent	23,231	24,203	1,097	125	Net Increase L.P. 972.
Head XVI.-Posts and Telegraph Department.					
A. Personal Emoluments.					
1. Postmaster General L.P. 38-2-46	552	552			
2. Inspector L.P. 17-½-20	232	238	6		2. Increment.
3. Accountant L.P. 13-½-16	192	192			
4. Secretary L.P. 13-½-16	179	185	6		4. Increment and change of the title from 'Accounts Clerk'
5. Chief Clerk L.P. 13-½-16	183	189	6		5. Increment.
6. Cashier L.P. 13-½-16	184	190	6		6. Increment.
7. 2 Accounts Clerks L.P. 9-½-12	258	264	6		7. Increment.
8. Storekeeper L.P. 9-½-12	131	137	6		8. Increment.
9. 3 Clerks L.P. 6-½-8	264	267	3		
District Offices					
10. Postmaster L.P. 17-½-20	222	228	6		10. Increment.
11. 3 Postmasters L.P. 13-½-16	537	555	18		11. Increments.
12. Telegraph and Telephone Overseer L.P. 13-½-16	183	189	6		12. Increment.
13. 6 Postmasters L.P. 9-½-12	833	855	22		13. Increments.
14. 4 Posts and Telegraph Clerks L.P. 9-½-12	554	564	10		14. Increments.
15. 20 Posts and Telegraph clerks L.P. 6-½-8	1,806			1,806	15. See item 16
16. 22 Posts and Telegraph clerks L.P. 6-½-8		1,890	1,890		16. From item 15 : two new posts from 1.1.37.
Carried Forward	6,310	6,495	1,991	1,806	

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	Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
	Brought Forward	6,310	6,495	1,991	1,806	
	Engineering.					
17.	Technical Assistant L.P. 21-1-25	300	300			
18.	Lines Inspector L.P. 17-½-20	240	240			
19.	Head Linesman L.P. 13-½-16	186	192	6		19. Increment.
20.	2 Linesmen L.P. 6-½-8	192	192			
20a.	6 Linesmen @ L.P. 6 p.m. each	432	432			
21.	21 Linesmen @ L.P. 5 p.m.	1,260	1,260			
30.	3 Apprentices @ L.P. 3½ p.m.	126	126			
31.	12 Postmen @ L.P. 4 p.m. and two orderlies at L.P. 3 p.m. each	648	648			
32.	Compensatory Allowances	41	41			
33.	Labour	350	400	50		33. Present Provision insufficient.
	Total Personal Emoluments	10,085	10,326	2,047	1,806	
	B. Other Charges					
34.	Transport and Travelling	850			850	34. See items 35 and 36.
35.	Forage Allowances		600	600		35. From item 34.
36.	Hire of Transport, etc.		250	250		36. From item 34.
37.	Lighting and Heating	90	90			
38.	Contingencies	15	15			
39.	Clothing	215	215			
40.	Stores and Equipment	2,250	3,190	940		40. (The increase represents (revote of unexpended (provision approved in (1935/36.
41.	Transport of Mails	1,150	1,000		150	
42.	Commission to Postal Agents	20	50	30		42. Based on actual requirements.
43.	Hedjax Railway for Maan Telephone Line	137	137			
44.	Maintenance of Iraq Telephone Line	300	475	175		
	Total Other Charges	5,027	6,022	1,995	1,000	
	Total Posts and Telegraph Department	15,112	16,348	4,042	2,806	Net Increase L.P. 1,236.

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	Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
	Head XVII, Lands Department.					
	A. Personal Emoluments.					
1.	Director L.P. 800+25-1000+100	1,000	1,050	50		1. Increment and Correction of error
2.	Assistant Director L.P. 900+25-1000		485	485		2. New post to replace the post of Director of Surveys. See item 16.
3.	2 Inspectors L.P. 26-1-31	652	676	24		3. Increments.
4.	Chief Clerk L.P. 17-½-20	210	212	2		
5.	Clerk L.P. 13-½-16	162	156		6	
6.	2 Clerks L.P. 9-½-12	260			260	6. See item 7.
7.	3 Clerks L.P. 9-½-12		275	275		7. From item 6 New Post from 1.1.1937.
8.	Clerk L.P. 6-½-8		18	18		8. New post from 1.1.1937.
9.	4 Computors L.P. 6-½-8	144	300	156		9. Provision in 1935/36 was for 6 months only.
10.	Field Allowances	500	600	100		
	Land Settlement.					
11.	Land Settlement Judge L.P. 32-1-37	394	406	12		11. Increment.
12.	Land Settlement Officer L.P. 2-1-37	444	444			
13.	2 Deputy Land Settlement Officers L.P. 21-1-25	528	519		9	
14.	Assistant Land Settlement Officer L.P. 13-½-16	162	156		6	
15.	Clerk	138	144	6		
	Survey					
16.	Director Special	720	348		372	16. (Provision inserted to 24.9.36 (This post is being replaced (by the post of Assistant (Director. See item 2.
17.	Inspector L.P. 17-½-20	222	228	6		17. Increment.
18.	Assistant Inspector L.P. 13-½-16	162	163	1		
19.	18 Surveyors L.P. 9-½-12	2,435	2,452	17		19. Increments and change of holders.
20.	Labour	2,890	2,890			
	Carried Forward.	11,023	11,522	1,152	653	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Brought Forward	11,023	11,522	1,152	653	
Land Registry.					
21. Director L.P. 26-1-31	372	372			
22. Land Registry Officer L.P. 17-½-20	240	240			
23. 2 Land Registry Officers L.P. 13-½-16	384			384	23. See item 24.
24. 3 Land Registry Officers L.P. 13-½-16		423	423		24. From item 23, with new post from 1.1.37.
25. 3 Land Registry Officers L.P. 9-½-12	339	402	63		25. Increments : one of these posts was provided for for 6 months only in 1935/36.
26. Clerk L.P. 9-½-12		27	27		26. New post from 1.1.37.
27. Clerk L.P. 6-½-8	96			96	27. See item 28
28. 3 Clerks L.P. 6-½-8		108	108		28. From item 27 : Two new posts from 1.1.37.
33. Orderlies L.P.	144	210	66		
34. Compensatory Allowances	23	20		3	
Total Personal Emoluments	12,621	13,324	1,839	1,136	
B. Other Charges.					
35. Transport and Travelling	1,900			1,900	35. See items 36 and 37.
36. Forage Allowances		580	580		36.) From item 35: increase
37. Hire of Transport, etc.		1,510	1,510		37.) of L.P. 190.
38. Lighting and Heating	30	40	10		38. Present provision insufficient.
30. Contingencies	100	100			
40. Postage, Telegrams and Telephones	50	150	100		
41. Technical Equipment	300	350	50		41. Present Provision insufficient.
42. Tentage and Camp Equipment	150	250	100		
43. Survey Marks	900	300		600	
44. Boots for Labourers	80	80			
45. Printing of Maps	200	200			
Total Other Charges	3,710	3,560	2,350	2,500	
	16,331	16,884	4,189	3,636	Net Increase L.P. 553.

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XVIII.- Police and Prisons Department					
A. Police.					
A. Personal Emoluments.					
1. Commandant L.P. 850+50-1050	1,050	1,050			
2. Expatriation Allowance	150	150			
3. Second-in-Command and Officer Commanding Desert Car Patrol L.P. 800+25-1,000.	950	975	25		3, Increment.
4. Expatriation Allowance	100	100			
5. Assistant Commandant L.P. 550+25-750	750	750			
6. Expatriation Allowance	100	100			
7. Assistant O.C.Car Patrol L.P. 300+10-550	400	430	30		7. Increment L.P.10 : under-Estimation in 1935/36 L.P.20.
8. Expatriation Allowance	50	50			
9. British Officer Special	400	400			
10. Expatriation Allowance	50	50			
11. Chief Accountant L.P. 26-1-31	372	372			
12. Director of Traffic L.P. 290-10-340+40		380	380		12. From item 61.
13. Legal Adviser		300	300		13. From item 62.
14. 2 Clerks L.P. 21-1-25	552			552	14. See item 15.
15. 2 Clerks 17-½-20		431	431		15. From item 14 : regrading due to change of holders
16. Paymaster L.P. 17-½-20	228	234	6		16. Increment
17. Stores Officer L.P. 17-½-20	240	240			
20. 4 Clerks L.P. 13-½-16	694	724	30		20. Increments : Change in holders.
21. 5 Clerks L.P. 9-½-12	675			675	21. See item 22.
22. 7 Clerks L.P. 9-½-12		906	906		22. Five posts from item 21 & 2 -
23. 6 Clerks L.P. 6-½-8	539			539	23. See item 24. from 67.
24. 7 Clerks L.P. 6-½-8		632	632		24. Six posts from item 23 and one from 67.
25. Power House Mechanic at L.P. 12 p.m.	144	144			
Carried Forward	7,444	8,418	2,740	1,766	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Brought Forward	7,444	8,418	2,740	1,766	
26. Armourer at L.P. 8 p.m.	96			96	26. See item 27.
27. Armourer at L.P. 10 p.m.		120	120		27. From item 26 change of holder
28. 2 Assistant Armourers at L.P. 6 p.m. each		36	36		28. New posts from 1.1.37.
29. 2 Saddlers at L.P. 6 p.m.	144	144			
30. W/T Superviser at L.P. 10 p.m.		30	30		30. New post from 1.1.37.
31. Clerk Mechanical at L.P. 10 p.m.		30	30		31. New post from 1.1.37.
32. 14 W/T operators at L.P. 7 p.m.	1,176	1,176			
33. Kaimakam L.P. 38-2-46	552	552			
34. Qaid L.P. 32-1-37	444	444			
35. 3 Wakil Qaids L.P. 26-1-31	1,116	1,116			
36. 3 Rais L.P. 21-1-25	900	900			
37. 16. Mulazim Awal L.P. 17-½-20	3,840	3,840			
38. 4 Mulazim Thani L.P. 13-½-16	768	768			
39. 3 Cadets at L.P. 10 p.m. each	360	360			
40. 9 Wakils 1st Class L.P. 9-½-12	1,260			1,260	40. See item 40(a).
40a. 9 Wakils L.P. 9-½-12		1,272	1,272		40a. From item 40: Increments.
41. 10 Wakils 2nd Class @ L.P. 10 p.m.	1,080			1,080	41. To item 41a less L.P. 60 transferred to item 69.
41a. 28 Naqeebs at L.P. 8½ p.m.		2,796	2,796		41a. From item 41, 47 and 64. A Saving of L.P. 60 is allowed for.
42. 43 Naibs at L.P. 7 p.m.	3,612			3,612	42. See item 42a.
42a. 61 Naibs at L.P. 7 p.m.		5,124	5,124		42a. From items 42, 48 and 65.
43. 70 Areefs at L.P. 6 p.m.	5,040			5,040	43. See item 43(a).
43a. 70 Areefs at L.P. 6¼ p.m.		5,250	5,250		43a. L.P. 5040 from item 43 and L.P. 210 from item 66
44. 516 Jundis at L.P. 5 p.m.	30,960			30,960	44. See item 44a.
44a. 532 Jundis 2nd Class at L.P. 5 p.m.		31,362	31,362		44a. From items 44 and 66. Eight of these posts are provided for for 6 months to 30.9.36. A saving of L.P. 318 is allowed for.
45. 17 Jundis at L.P. 2 p.m.	408	408			
45a. 25 Reservists at L.P. 5 p.m. for 6 months & at L.P. 1 p.m. for 6 months		900	900		
45b. 40 Reservists at L.P. 5 p.m. for 6 months		1,200	1,200		
45c. 45 Reservists at L.P. 5 p.m. for 6 months and at 500 mils p.m. for 6 months		1,485	1,485		
Carried Forward	59,200	67,731	52,345	43,814	

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Brought Forward	59,200	67,731	52,345	43,814	
46. 6 Cavalry men at L.P. 6 p.m.	432	432			
47. 8 Amin Serryiehs 1st Class @ L.P. 8½ p.m.	816			816	47. See item 41(a).
48. 9 Amin Serryiehs 2nd Class @ L.P. 7½ p.m.	810			810	48. To item 42(a) Less L.P. 54 transferred to item 69.
49. Imam @ L.P. 5 p.m.	60			60	49. See item 50.
50. Imam @ L.P. 6 p.m.		72	72		50. From item 49: Under-estimated in previous year.
51. 3 M.T. Drivers at L.P. 12 p.m.	432	432			
52. M.T. Driver at L.P. 10 p.m.	120	120			
53. 4 M.T. Drivers at L.P. 9 p.m.	432			432	53.) These alterations are
54. 3 M.T. Drivers at L.P. 9 p.m.		324	324		54.) occasioned by the
55. 3 M.T. Drivers at L.P. 6 p.m.	216			216	55.) need for revision of
56. 3 M.T. Drivers at L.P. 5 p.m.	180			180	56.) rates of pay of M.T.
57. 7 M.T. Drivers at L.P. 6 p.m.		504	504		57.) Drivers.
57(a) 6 Drivers at L.P. 5 p.m.		180	180		57(a) New posts from 1.10.36
57(b) Allowance to 6 Drivers at L.P. 2 p.m. each for 6 months		72	72		57(b) See item 57(a)
58. Desert Allowance for 7 W/T Operators at L.P. 3 p.m.	252	252			
59. 3 Menials at L.P. 1 p.m.	36	36			
Urban Police:					
60. Wakil Qaid L.P. 26-1-31	372	372			
61. Traffic Inspector	380			380	61. See item 12.
62. Legal Adviser L.P.21-1-25	300			300	62. See item 13.
63. Mulazim Thani L.P.13-1-16	192	192			
64. 10 Mufawads, 2nd Class at L.P. 8 p.m.	960			960	64. See item 41(a).
65. 9 Mufawwads, 3rd Class at L.P. 7 p.m.	756			756	65. See item 42(a).
66. 75 Constables at L.P. 6 p.m.	5,400			5,400	66. L.P. 942 to item 44a, L.P.4,248 to item 66a and L.P. 210 to item 43a.
66a. 59 Jundis 1st Class at L.P. 6 p.m.		4,248	4,248		66a. From item 66.
Carried Forward	71,346	74,967	57,745	54,124	

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
46. Brought Forward	71,346	74,967	57,745	54,124	
67. 3 Clerks L.P. 9-½-12	264			264	67. Two posts transferred to item 22 and one to item 24.
68. Compensatory Allowances	66	50		16	
69. Personal Allowances	144	258	114		69. See item 41 and 48.
Total Personal Emoluments	71,820	75,275	57,859	54,404	
B. Other Charges.					
70. Forage Allowances	10,000	10,000			
71. Purchase of Clothing	6,600	6,970	370		
72. Compensation for Loss of Animals	340	550	210		
73. Equipment	590	735	145		
74. Saddlery	520	440		80	
75. Hire of Transport, etc.	2,700	2,590		110	
76. Furniture	170	200	30		
77. Lighting and Heating	625	625			
78. Secret Service - Police	400	900	500		
79. Secret Service - Desert Car Patrol	1,500	1,500			
80. Contingencies	125	125			
81. Pension Contributions	385	370		15	
82. Purchase of Water	250	300	50		82. Present Provision insufficient.
83. Miscellaneous Stores	150	225	75		
84. Cost of Living Allowances	66	132	66		
85. Photographic and Finger Print Equipment	95	95			
86. Postage, Telegrams and Telephones	2,200	2,200			
87. Tentage	200	200			
88. Insurance of Stores	41	41			
89. Petrol and Maintenance of Transport	3,850	3,970	120		
90. Upkeep of wireless	400	600	200		
91. Maintenance of Armament	200	200			
92. Ammunition	550	900	350		92. (Includes the unexpended balance amounting to L.P. 450 of provision approved in 1935/36.
Total Other Charges	31,957	33,868	2,116	205	
Total Police		109,143	59,975	54,609	Net Increase L.P. 5,366.

Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XVIII. Police and Prisons Department					
B. Prisons					
A. Personal Emoluments					
1. Mulazim Awwal L.P. 17-½-20	240	240			
2. Mulazim thani L.P. 13-½-16	192	192			
3. Amin Serryieh 1st Class at 8½ p.m.	102			102	3. See item 4(a).
4. 6 Warders, 1st Class at L.P. 8 p.m.	576			576	4. See item 4(a).
4(a) 7 Naibs at 8½ p.m.		678	678		4(a). From items 3 and 4. A saving of L.P. 36 is allowed for.
5. 6 Warders, 2nd Class at L.P. 7 p.m.	504			504	5. See item 5(a)
5(a) 6 Naibs at L.P. 7 p.m.		504	504		5(a) From item 5
6. 2 Wardresses at L.P. 6 p.m.	108	144	36		6. One post was provided for for 6 months only in 1935/36.
7. 83 Prison Guards at L.P. 5 p.m.	4,980			4,980	7. See item 8.
8. 83 Jundis, 2nd Class at L.P. 5 p.m.		4,780	4,780		8. From item 7. A saving of L.P. 200 is allowed for.
10. Personal Allowances	18	18			
Total Personal Emoluments	6,720	6,556	5,998	6,162	
B. Other Charges					
11. Clothing, Prison Personnel	725	725			
12. Clothing, Prisoners	750	750			
13. Rations, Prisoners	4,200	2,890		1,310	
14. Hire of Transport, etc.	290	290			
15. Furniture	130	130			
16. Equipment	180	170		10	
17. Lighting and Heating	290	290			
18. Contingencies	30	30			
19. Soap	130	130			
20. Material for Prison Industry	100	100			
Total Other Charges	6,825	5,505		1,320	
Total Prisons	13,545	12,061	5,998	7,482	Net Decrease L.P. 1,484.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XVIII.- Police and Prisons					
C. Supplementary					
Reserve Force					
A. Personal Emoluments					
1. Rais at L.P. 25 p.m.	-	100	100		Four month's
2. 2 Mulazim Awwal at L.P. 20 p.m.	-	160	160		
3. 3 Naqeebs at L.P. 8½ p.m.	-	102	102		provision to
4. 8 Naibs at L.P. 7 p.m.	-	224	224		
5. 12 Areefs at L.P. 6¼ p.m.	-	300	300		31.12.1936.
6. 4 Jundis 1st Class at L.P. 6 p.m.	-	96	96		
7. 173 Jundis 2nd Class at L.P. 5 p.m.	-	3,460	3,460		
Total Personal Emoluments		4,442	4,442		
B. Other Charges					
8. Forage Allowances		410	410		
9. Clothing		585	585		
10. Equipment		200	200		
11. Saddlery		260	260		
12. Contingencies		30	30		
Total Other Charges		1,485	1,485		
Total Supplementary Reserve Force		5,927	5,927		Net Increase L.P. 5,927.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XIX. Miscellaneous					
1. Typewriters	350	350			
2. Safes	100	100			
3. Transport of Specie	75	75			
4. Contribution to the Agricultural Bank	3,500	3,500			
5. Commission to Stamp Vendors	100	100			
6. Stamp Dies and Printing of Stamps	70	70			
7. Pension Contribution to the Palestine Government	1,445	450		995	
8. Printing and Stationery	3,450	3,550	100		
9. Sundries	652	650		2	
10. Crown Agents Expenses	250	250			
11. Repatriation	25	25			
Total	10,017	9,120	100	997	
Head XX. Audit Department					
A. Personal Emoluments					
1. Auditor	200	200			
2. Chief Examiner L.P. 48-2-58	636	660	24		2. Increment.
3. Clerk L.P. 21-1-25	300	300			
4. 2 Clerks L.P. 17-½-20	440	452	12		4. Increments.
5. 4 Clerks L.P. 13-½-16	642	668	26		5. Increments.
5.(a) Clerk L.P. 13-½-16		130	130		5(a) New post from 1.5.36.
6. 3 Clerks L.P. 9-½-12	401	379		22	6. Change in holders.
7. 6 Clerks L.P. 6-½-8	516	538	22		7. Increments.
8. Orderlies	72	72			
Total Personal Emoluments	3,207	3,399	214	22	
B. Other Charges					
9. Hire of Transport, etc.	400	400			
10. Lighting and Heating	12	15	3		
11. Contingencies	8	8			
12. Postage, Telegrams and Telephones	25	25			
13. Share of Expenses of the Home Establishment of the Colonial Audit Department	70	70			
Total Other Charges	515	518	3		
	3,722	3,917	217	22	Net Increase L.P. 195.

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Head and Sub-Head of Expenditure	Approved Estimates 1935/36 L.P.	Revised Estimates 1936/37 L.P.	Increase L.P.	Decrease L.P.	Remarks
Head XXI. Tribal Court of Appeal					
A. Personal Emoluments					
1. President Special	840	600		240	
2. Clerk L.P. 13-½-16	162	162			
3. Nominated member	60	60			
	1,062	822		240	
B. Other Charges					
4. Hire of Transport, etc.	50	50			
Total Tribal Court of Appeal	1,112	872		240	Net Decrease L.P. 240.
Head XXII. Trans-Jordan Frontier Force					
1. One sixth of the Trans-Jordan Frontier Force Ordinary Expenditure	29,654	30,513	859		Net Increase L.P. 859.

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Head and Sub-Head of Expenditure	Original Estimates L.P.	Actual Expenditure to 30.9.35 L.P.	Estimated Further Expenditure to 31.3.36 L.P.	Estimated Expenditure 1936/37 L.P.	Remarks
Head XXIII. Public Works Extraordinary					
Buildings					
1. Repairs to H.H.'s Residence	1,000	685		100	
2. Construction of Police Post at Najl	700		350	350	
3. Construction of Fort at Jaffre	1,200	5	45	50	
4. Additions and Improvements to Central Prison and Arab Legion Camp, Amman	2,000	1,650	350		4. Completed.
5. Additions and Improvements to Central Prison and Arab Legion Camp at Amman	550			450	
6. Repairs to the Governorate, Kerak	1,200	190	90	100	
7. Repairs to the Boys School, Kerak	2,000	1,080	257	400	
8. Post, Telegraph and Telephone Accommodation, Amman	10,000			2,000	
9. Accommodation, Lands Department, Amman	3,400			1,400	
10. Four Garages for the Arab Legion	100			100	
11. Armoury for the Arab Legion	300			300	
Roads					
18. Reconstruction of Es-Salt - Allenby Bridge Road	44,000	17,000		9,000	18. (Includes L.P. 4,500 is chargeable to the C.D.F. See item 1 of Revenue Head XI.
19. Construction of the Mujib Road	5,000			-	
20. Construction of the Kafinje - Kreimeh Road	1,000			-	
Water Supplies					
21. Sinking Artesian Bores in the Desert	1,500			1,500	
22. Well Sinking by Hand	320			-	
Revotes					
23. Well Sinking by Hand	58			58	23. Unexpended in 1935/36.
Total Public Works Extraordinary				15,808	
Head XXIV. Police and Prisons Extraordinary					
1. Purchase of 7 Ford Trucks for Desert Car Patrol	2,000			2,000	
2. Purchase of Pump Engine for the Power House	300			300	
3. Purchase of Hand Generators	225			-	
4. Expropriation of Land	1,650			150	
5. Purchase of Rifles	2,100			2,100	
6. Purchase of Ford Cars for District Police	1,110			1,110	
				5,660	

Head and Sub-Head of Expenditure	Original Estimates L.P.	Actual Expenditure to 30.9.35 L.P.	Estimated Further Expenditure to 31.3.36 L.P.	Estimated Expenditure 1936/37 L.P.	Remarks
Head XXX. Trans-Jordan Frontier Force Extraordinary					
1. One sixth of the Extraordinary Expenditure of the Trans-Jordan Frontier Force	3,327			3,327	
Head XXXI. Expenditure out of Colonial Development Fund Grants					
1. Es-Salt - Allenby Bridge Road				-	
2. Amman Agricultural Experimental Station				6,415	
3. Seed Propagation				1,432	
4. Sinking Artesian Bores in the Desert				1,794	
5. Land Settlement				5,934	
6. Development				1,580	
7. Improvement of Trans-Jordan Water Supplies - Part II of Scheme No. 265				475	
				17,630	
Head XXXII. Trans-Jordan's Share of the Ottoman Public Debt - Annuity Due in 1936/37				32,000	
Head XXXIII. Relief Measures					
Roads					
1. El Mojib Road				5,620	
2. Wadi El Hassa Road				5,830	
3. Wadi Moussa - Eshobek Road				1,200	
4. Ajlun - Boit Ides - Deir Abu Said, Jisr Esh Hassein Road				2,400	
4(a) Dlagha - Gharandal Road				1,000	
4(b) Abdul Lassan - Eel - Wadi Mousa Road				180	
Improvement of Water Supplies:					
5. Tafeeleh District				350	
6. Esh Shara Lands				1,300	
7. El Howetat Area				150	
8. Other Water Supplies				250	
8(a) Bir Shadeya, Hallabat, Sawwaka, Gweira and Aneiza				250	
8(b) Maan Village				50	
Anti-Malarial Measures:					
9. Tafeeleh District				350	
10. Wadi Mousa				150	
Sundry					
11. Unclassified				175	
				19,255	

NOMINAL ROLL OF PENSIONERS AS AT
THE 30th NOVEMBER 1936.

NAME	ANNUAL PENSION. L.P.	Mils
Shazia Khanum wife of Ahmed Tewfic	61.	536
Heirs of Yahya Bey	43.	596
Heirs of Ahmed El Sa'id	14.	400
Heirs of Abdul-Hadi Musmar	9.	600
Heirs of Zawir Bek	12.	312
Hussein Ali Dahaj	3.	936
Heirs of Najeeb Damishkia	14.	760
Heirs of Juma El Kurdi	12.	000
Fatmeh Khatoun	3.	024
Heirs of Sultan Esma'il	19.	200
Sadeh wife of Saleem Mustafa	12.	900
Heirs of Mohammad Ibrahim	12.	000
Hanifa wife of Mustafa Agha	4.	128
Meiam Salih	6.	000
Heirs of Faris Mohammad El Khalil	14.	400
Mohammad Sabri Abu Rashid	4.	800
A'isha wife of Mustafa Kamil	37.	464
Heirs of Kamal Salah	18.	540
Sabha bint Mousa El Hassi	6.	000
Heirs of Abdulla El Kaissi	19.	200
Khairiya Mohammad Amin	6.	000
Lukan Mohammad	22.	164
Omar Hikmat Bey	156.	000
Ibramim Mazhar	49.	716
Salih El Hindawi	77.	928
Kanj El Shihabi	21.	000
Mustafa Musallam	29.	352
Heirs of Arif Tugan	58.	176
Khalil Ibrahim	24.	000
Adib Bey Wahba	257.	064
Heirs of Emir Shakir	360.	000
Total Carried Forward	1,391.	196

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NAME	Annual Pension L.P. Mils
Total Brought Forward	1,391. 196
Mohammad Hassan Ismail	19. 992
Nasrat Nakishbani	74. 700
Kamal Ed-Din Zaeiter	21. 000
Badriya Uthman Nouri	16. 464
Sheikh Abdulla Siraj	480. 000
Hassan Abu Rasaa	34. 824
Heirs of Abu El Teior	26. 016
Sabri El Jaouni	64. 788
Heirs of Ahmad El Ka'id	141. 540
Salim El Mazloom	123. 996
Said El Baba	30. 768
Abd El Salam Kamal	173. 040
Heirs of Ghalib Pasha	101. 136
Dr. Rida Tewfic	242. 172
Tewfic Arabi	49. 224
Hasan Khalid Pasha	443. 820
Omar Lutfi Bey	162. 000
Heirs of Mirza Pasha	82. 800
Abdul-Hadi Arab	102. 000
Heirs of Ali El Jerkass	30. 264
Heirs of Ahmed Nimr El Shihabi	31. 008
Murad Omar	36. 000
Esmail Ali	42. 324
Ibrahim Fauzi	36. 924
Esmail Zuhdi	94. 440
Heirs of Suleiman El Khatib	31. 536
Younis Yousif	16. 800
Haj Ahmad El Zagha	72. 648
Hafiza Mohammad Hassan El Batoni	15. 336
Total Carried Forward	4,188. 756

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NAME	Annual Pension L.P. Mils.
Total Brought Forward	4,188. 756
Heirs of Mahmoud Mukhtar El Jaza'iri	14. 400
Heirs of Fuad Khorshid	38. 040
Attalla El Mawajdeh	27. 804
Heirs of Ahmad Abdul Mihdi	22. 188
Heirs of Adeeb El Kaid	52. 560
Zarifa (Mother of El Jundi Mohammad Ali)	3. 696
Sara Abu Bakr	6. 156
Mohammad El Awdeh	6. 156
Zawaia (Mother of El Jundi Mussa)	6. 156
Abdul Fattah Bey El Rashdan	123. 072
Ahmad Mufaddi El-Nejdawi	20. 496
Sheikh Fahim Zaid	41. 280
Rashid Basha El Madfa'i	251. 748
Heirs of Jamil El Hadidi	29. 340
Fatmeh El Rashdan	6. 000
Nimat bint Mukhtar El Jaza'iri	4. 800
Mohamad ibn El Jundi Abdulkader	6. 000
Heirs of Abul Aziz Zakaria	19. 200
Heirs of Shukri Tabila	28. 800
Shawkat Bey Hamid	120. 960
Heirs of Najeeb El Humoud	26. 496
Yousef Jaber	28. 500
Mohammad Abdul Hadi El Kaisi	39. 996
Abdul Aziz Mahmoud	41. 736
Sleiman Ibn Yousef El Awdat	14. 016
Mohammad bin Suleiman El Kurdi	49. 632
Khalil Ibrahim	35. 304
Jadalla Bey Kattan	90. 000
Asakir bint Mohammed Ali Bedr	4. 800
Khalil El Ma'ani	2. 088
Total Carried Forward	5,350. 176

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NAME	Annual Pension L.P. Mils.
Total Brought Forward	5,350. 176
Heirs of Rashced Abu Ajaj	4. 800
Heirs of Husein El Karaki	14. 400
Yousif Salim	4. 800
Sheikh Arif Tahboub	54. 360
Husein Pasha El Tarawna	53. 844
Atwi Pasha El Majali	105. 000
Hamid Abul Aziz El-Ma'ani	24. 612
Zehiba bint Suleiman El-Halasa	6. 000
Salih Pasha El-Wwran	90. 000
Salih Pasha El-Mahasna	24. 000
Heirs of Abdul Nabi El-Khatib	14. 400
Heirs of Diman	9. 600
Mahmoud El Khatib	21. 084
Heirs of Salim El Twal	14. 760
Mikha'il Hashal	19. 992
Heirs of Najib El Humoud	37. 090
Ya'coub Ibrahim	49. 320
Heirs of Mahmoud Abu Ras	98. 472
Flaih El Abdulla	6. 036
El-Abd Shihadeh	5. 544
Khalid Awad	12. 924
Fandi Barakat	12. 924
Awad Ibrahim	9. 228
Ibrahim El Ahmad	9. 228
El Hajja Habsa	13. 548
Falih El Awad	5. 544
Thuraia bint Zaid El-Sad	3. 815
Heirs of Abdo Abu Raji	14. 400
Abboud El-Suwis	5. 544
Heirs of Mustafa El-Mitwalli	9. 840
Total Brought Forward	6,105. 287

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NAME	Annual Pension L.P. Mils.
Total Brought Forward	6,105.287
Ali Khulki Pasha	179.616
Heirs of Ahmad El-Mahawish	14.400
Salih El-Mustafa	96.444
Ali Niazi Bey El-Tel	150.600
Salti Pasha Ibrahim	16.872
Hassan Muhammad	5.400
Ahmad bin Flihan	3.600
Fatma Amira	6.000
Mohammad Mahmoud Abu Salha	21.000
Heirs of Muhi Ed-Din Asa'ad	19.200
Abdul-Qader El-Feisal	24.000
Mohammed Ali Kurdi	34.584
Khalil Abdulla Mohammad	22.392
Qasim Mohammad	8.400
Heirs of Abdul Rahim Attia	12.000
Sultana wife of Awad Kurdi	12.300
Nihad Khorshid	81.216
Falah Es-Sou'b	91.992
Aleyan Abdul-Qader Bawaliz	18.000
Mohammad Hilal Ma'ayta	10.116
Mahmoud Halal Ma'ayta	45.000
Fowad Bustami	91.188
Grand Total	7,069.608

GOVERNMENT OF TRANS-JORDAN

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 1936

LIABILITIES	L.P.	Mils	L.P.	Mils	ASSETS	L.P.	Mils	L.P.	Mils
DEPOSITS					ADVANCES				
Customs	182	908			Earthquake Relief Loans	2,188	099		
Municipal	253	901			His Highness the Amir	1,001	995		
Execution	352	369			Posts and Telegraph Department	830	622		
Execution "A" Account	480	109			Agricultural Loans, 1931/32	46	398		
Orphans' Estates	109	426			Seed Loans (Ajlun), 1934/35	8,073	052		
Es-Salt Drainage Scheme	361	388			Village Schools	341	953		
Posts and Telegraph Department	1,848	136			Municipalities	1,216	775		
Police and Prisons Fund	49	605			Sundry Advances	2,822	280	16,522	074
Village Schools	1,144	875			IMPRESTS			5,429	200
Village Water Supplies	223	237			REMITTANCES			412	860
Contractors' and Guarantee Deposits	818	861			JOINT COLONIAL FUND			23,000	-
Lands Department (Expropriation and Land Settlement)	673	813			CASH AND BANK BALANCES			19,408	665
School Gardens	100	824							
Cultivation of Carub Trees	79	526							
British Resident	18	839							
Colonial Development Fund	2,635	023							
Sundry Deposits	2,123	673	11,456	513					
LOANS									
Advance by H.M's Government for Earthquake Relief			4,816	044					
EXCESS OF ASSETS OVER LIABILITIES (Surplus Balance)			48,500	22					
		L.P.	64,772	799			L.P.	64,772	799

Ministry of Finance,

Amman,

Trans-Jordan.

15th August, 1936.

TREASURER

FINANCIAL ADVISER

Working Copy

77029/36 [No. 85]. No. 57 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by No.* ~~77029/36 [No. 80].~~ 59

SIR, Downing Street, S.W.1, 22nd January, 1937.

I am directed by Mr. Secretary Ormsby Gore to refer to the letter from this Department of the 25th January, 1936*, enclosing the draft Estimates of the Trans-Jordan Administration for the financial year 1936/37, and to subsequent correspondence, and to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a despatch†, with enclosures, from the High Commissioner for Trans-Jordan forwarding revised draft Estimates of the Trans-Jordan Administration for 1936/37.

2. The Secretary of State supports the High Commissioner's proposals and would be glad if approval could be given to the draft Estimates in their revised form. Their Lordships will note that, assuming that the grant-in-aid of £55,000 is issued in full and that the special expenditure of £10,000 approved in your letter S.40978 of the 7th July‡ is charged to Palestine funds, there is an estimated surplus balance as at the 31st March, 1937, of £3,378. A Supplementary Estimate will, therefore, not be needed, unless their Lordships are still opposed to the Trans-Jordan Government obtaining from the Government of Palestine the sum of £15,000 required to enable the Agricultural Bank of Trans-Jordan to make seed loans to cultivators. Attention is invited in this connexion to semi-official correspondence (Treasury reference S.38628) ending with Mr. Blaxter's letter to Mr. Hale of the 7th December§. Mr. Ormsby Gore is of the opinion that it would be preferable to avoid the necessity for a Supplementary Estimate by authorizing the Trans-Jordan Government to borrow the £15,000 from the Government of Palestine on the terms proposed in the letter from this Department of the 15th October, 1936‖.

3. In view of the High Commissioner's request in paragraph 7 of his despatch that approval may be given to the Estimates in time for them to be submitted to the Trans-Jordan Legislative Council during its present session, which will end on the 31st January next, I am to request that early consideration may be given to this letter.

4. A memorandum commenting in detail on certain of the items in the draft Estimates is enclosed herewith.

5. I am accordingly to request that their Lordships will (1) approve the Estimates in the form now submitted by the High Commissioner; (2) sanction the special expenditure of £10,000 being finally charged to Palestine funds; and (3) agree to the Trans-Jordan Government borrowing the £15,000 required for agricultural loans from the Government of Palestine.

I am, &c.,

O. G. R. WILLIAMS.

Enclosure 2 in No. 57.

MEMORANDUM.

Revenue.

Head I, Item 1.

The increased provision of £8,000 in respect of Trans-Jordan's share of the customs duties collected in Palestine is in accordance with the proposals contained in the High Commissioner's despatch of the 16th November, 1936¶, to which telegraphic approval was given on the 11th December**. Copies of the despatch and telegram were sent to the Treasury on the 16th December††.

Head III, Item 16.

Attention is invited in connexion with the provision made under this item to page 14 of the letter from this Department of the 25th January*.

Head VII. Item 2.

It will be noted that provision of £15,000 is made for the share of the Trans-Jordan Government in the profits from the Palestine currency and that the Financial Adviser comments on this item on page 2 of his memorandum. The High Commissioner points

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* No. ~~77029/36 [No. 8]~~. 26 † No. ~~77029/36 [No. 80]~~. 56

‡ No. 77139/36 [No. 7]: not printed § No. 77051/36 [No. 8]. not printed ‖ No. 77051/36 [No. 2] not printed

¶ No. 79128/36 [No 4] not printed ** No. 79125/36 [No 5] not printed †† No. 15212/20/36 not printed

out, however, on page 3 of his despatch, that the actual receipts accruing to Trans-Jordan in respect of this item will be only £12,900, or £2,100 less than the revised estimate. This short-fall can be made good by a further increase under general Customs receipts and the provision made under Head I should accordingly be increased by £2,100 and the provision made under Head VII, Item 2, reduced by the same amount.

Head XII.

The provision for the receipts of £32,000 as a grant-in-aid from His Majesty's Government for the payment of Trans-Jordan's share of the Ottoman Debt is in accordance with the Agreement signed in London on the 29th July, 1936, between the Trans-Jordan Government and the Ottoman Debt Council regarding the settlement of the share of the Ottoman Public Debt incumbent upon Trans-Jordan.

Expenditure.

Head I, Item 1(a) and (b).

This item is discussed on page 4 of the Financial Adviser's memorandum. The Secretary of State supports the proposals as a special case in respect of the current year. The position is commented on in more detail in the letter from this Department of the 25th January, 1936*. Attention is also invited to Mr. Hale's letter to Mr. Blaxter of the 22nd June 1936†, and to Mr. William's reply of the 22nd July 1936†.

Head IX, Item 2.

In Treasury letter E.11699 of the 22nd June, 1936‡, approval was given to the proposal that Mr. R. S. Champion's emoluments should be increased by £36 per annum, with effect from the 1st April, 1935.

Head XI, Item 3.

The sum of £648 represents half the recurrent cost of the mobile medical unit for half a year. Attention is invited to Colonial Office letter of the 18th April 1936§ enclosing a copy of the High Commissioner's despatch of the 10th March 1936§. It is requested that approval may now be given for charging half the recurrent cost of the unit to Trans-Jordan funds.

Head XIII, Items 18, 19 and 45.

Approval of the Colonial Development Fund grant for the establishment of an Agricultural Experimental and Demonstration Station near Amman was conveyed in Treasury letter S.34609/0370 of the 18th October, 1935‖. It has been agreed that the recurrent expenses of the Station should be borne by Trans-Jordan revenues.

Head XV(A), Item 7.

The Secretary of State fully supports the view expressed by the Financial Adviser on page 8 of his memorandum that it is no longer possible to adhere strictly to the figure of £10,000 for road maintenance which was recommended in the O'Donnel Report. Conditions have changed considerably in recent years and the increased amount of road construction since 1931 necessitates a somewhat larger provision being made for costs of maintenance. The Secretary of State agrees with the view expressed by the High Commissioner on page 4 of his despatch that the resurfacing in tar macadam of a section of the Amman–Es Salt road is in effect new construction, and he would propose to authorize the High Commissioner to transfer this item to Head XXIII.

The proposal to resurface a section of the Amman–Es Salt road is clearly desirable in view of the need, of which their Lordships are aware, for a good road between Amman and Allenby Bridge, and thence to Jerusalem. Reference is invited in this connexion to Treasury letter S.34609/0308 of the 23rd October, 1934, approving a grant from the Colonial Development Fund for the purpose of reconstructing the section of this road between Es Salt and the Allenby Bridge.

Head XVI, Item 16.

The appointment of two additional Telephone Clerks was sanctioned in Treasury letter S.35961/01/36 of the 10th November¶, and the provision for three additional linesmen to which the High Commissioner refers on page 5 of his despatch was approved in Mr. Hale's letter to Mr. Blaxter of the 19th December, 1936**. The £216 required for these posts in the current year will be found from savings.

* No. ~~77029/36 [No. 81]~~ 76 not printed.
† No. 77029/36 [Nos. 30 & 40]: not printed.
‡ P.F. 19148/ [No. 180]: not printed.
§ No. 77048/36 [Nos. 3 & 1]: not printed.
‖ No. 77093/7/35 [No. 8]: not printed.
¶ No. ~~77029/36 [No. 69]~~ 57.
** No. 77029/36 [No. 78]: not printed.

Head XVII, Items 7, 8, 24, 26, 28 and 37.

With regard to these items, on which the Financial Adviser comments on page 9 of his memorandum, reference is invited to Treasury letter S.34609/0368 of the 6th December, 1935*, approving a free grant from the Colonial Development Fund of £5,000 a year for six years to the Trans-Jordan Government for the creation of two additional Land Settlement Parties in the Lands Department of Trans-Jordan.

Head XVIII (A), Items 45(a), (b) and (c), and the increase under Items 71 and 73.

Attention is invited to Treasury letter S.21404 of the 8th June, 1936†, sanctioning the formation of an Arab Legion Reserve, and to subsequent correspondence.

Head XVIII (A), Items 57(a) and (b) and the increase under Item 89.

Reference is invited to Treasury letter S.37616 of the 25th July, 1936‡, approving the purchase of six Ford trucks for the Arab Legion.

Head XVIII (A), Item 78.

Attention is invited to the letter from this Department of 22nd July, 1936§.

Head XVIII (C).

Attention is invited to the remarks under this head on page 10 of the Financial Adviser's memorandum, and also to Treasury letter S. 21404 of the 25th September, 1936‖, regarding the incidence of cost arising out of the temporary increase in the strength of the Arab Legion.

Head XXIII, Item 8.

Approval was given in Treasury letter S.34609/0332 of the 21st February, 1935¶, for the sum of £4,000 being advanced from the Colonial Development Fund to the Government of Trans-Jordan as a loan for the purchase and installation of a telephone exchange at Amman. The Government of Trans-Jordan have not yet taken up the loan, since up to the present they have had no suitable building in which to house the telephone exchange. It is now proposed that a new General Post Office should be constructed and that the new exchange should be housed in this building.

Head XXIII, Item 9.

In paragraph 7 of their letter S.35961/01/35 of the 5th December, 1935**, the Treasury asked that an assurance should be given that it was not proposed to provide permanent accommodation greater than would be required when the partitioning of land now communally held had been completed. That assurance has now been given, as will be seen from the enclosed copy of a despatch from the High Commissioner of the 24th January, 1936††.

Head XXIII, Item 11.

Approval was given by the Treasury to the construction of an armoury in their letter S.35961/01/36 of the 24th October, 1936‡‡.

Head XXIII, Item 18.

Attention is invited to the observations made under Head XV (A), Item 7, of this memorandum.

Head XXIII, Item 21.

Further reference is invited to Treasury letter S.34609/0274 of the 18th October, 1935§§, in which approval was given to an advance from the Colonial Development Fund for the improvement of water supplies in the desert. The recurrent expenditure is to be a charge on the Trans-Jordan estimates.

Head XXIV, Item 1.

Approval was given by the Treasury to the purchase of seven new cars for the Desert Patrol of the Arab Legion in their letter S.37616 of the 7th October, 1936‖‖.

Head XXIV, Item 5.

With regard to the purchase of arms provided for under this item, further reference is invited to Treasury letter S.35961/01/36 of the 24th October, 1936‡‡.

* No. 77093/5/35 [No. 11]: not printed.
† No. 77133/36 [No. 5]: not printed.
‡ No. 77029/36 [No. 44]: not printed.
§ No. 77029/36 [No 38] not printed
‖ No. 77133/36 [No. 13]: not printed.
¶ No. 77093/3/35 [No. 3]: not printed.
** No. 77103/35 [No. 51]: not printed.
†† No. 77103/35 [No. 63]: not printed.
‡‡ No. ~~77029/36 [No. 63]~~ 48.
§§ No. 77093/4/35 [No. 11]: not printed.
‖‖ No. ~~77029/36 [No. 56]~~ 44.

Head XXIV, Item 6.

Approval of this item was conveyed in Treasury letter S.37616 of the 25th July, 1936*, to which reference has already been made *vide* Head XVIII, Items 57(*a*) and (*b*) and 89 supra).

Head XXXIII.

Approval has been given by the Treasury to all expenditure provided for under this head in their letters of the 16th June, 20th June, 31st August and 15th September, 1936† (Treasury reference S.37503/2)†.

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* No. 77029/36 [No. 44]: not printed.

† No. 77034/36 [Nos. 11, 14, 23, & 29]: not printed.

Working Copy.

77029/36 [No. 87]. No. 58 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Sent 8 p.m., 28th January, 1937.)

TELEGRAM.

[*Answered by No. ~~77029/36 [No. 91].~~*] 60

No. 10. Secret. Your secret despatch 31st December*. Trans-Jordan Estimates 1936–37 approved subject to following comments on Expenditure heads.

Head I. Items 1(*a*) and (*b*). I note that, in addition to temporary items of £394 and £215 in respect of Amir Tallal's debts, provision exceeds by £180 the total of £13,000 laid down as the total normal provision for these items. Provision made is sanctioned on the understanding that it will not commit His Majesty's Government to sanctioning provision in future years in excess of £13,000.

Head XI. Item 73. Provision sanctioned on the understanding that apportionment of cost of Desert Mobile Medical Unit will be reconsidered in the light of a year's working.

Head XVA. Item 7. I consider that cost of resurfacing Amman—Es Salt road should be charged to Head XXIII, item 7 of Head XVA being reduced to £10,000.

Head XXIII. Item 8. Post, etc., accommodation Amman. The commitment involved is considerable and the case for a new building has not been fully set out. The item may stand, but before expenditure is incurred I should be glad to consider in detail the case for undertaking this work in present financial circumstances. What rent is paid for the existing building, is it maintained by Government, and if so at what cost? Please send full report by air mail.

I agree that the £10,000 referred to in paragraph 4 of your despatch should be finally charged to Palestine funds.

As regards agricultural loan of £15,000 (see my telegram No. 66 Secret of 29th October†) after consultation with Treasury it has been decided to include this sum in a supplementary estimate for current financial year shortly to be submitted to Parliament. Parliament will be asked to vote the sum as a loan to the Trans-Jordan Government to be repayable as and when repayments are received from cultivators subject to a minimum payment of £3,500 in any one year. As regards interest, it is proposed that rate should be similar to that charged to Agricultural Bank. Please telegraph whether you have any comments on terms of repayment and what is rate of interest charged to Bank.

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* No. ~~77029/36 [No. 80]~~. 56

† No. 77051/36 [No. 5]: not printed.

Trans-Jordan Estimates—(C.28409/128). 12.

77029/36 [No. 89]. No. 59. PROOF.

Working Copy

TREASURY

to

COLONIAL OFFICE.

S.35961/01/36/2.

SIR, Treasury Chambers, 1st February, 1937.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letter of the 22nd January*, with the accompanying copy of a despatch†, with enclosures, from the High Commissioner for Trans-Jordan forwarding revised draft Estimates of the Trans-Jordan Administration for 1936/37.

2. In reply, I am to request you to inform Mr. Secretary Ormsby Gore that My Lords approve the Estimates in the form now submitted subject to the following observations upon expenditure heads.

3. *Head I Item I* (*a*) *and* (*b*). In approving the Estimates for 1935–6 My Lords agreed that the total of these items should be raised to £13,500 on the understanding that the normal provision would be £13,000. The provision proposed for 1936–7 is £13,789, of which £609 is clearly non-recurrent, but it is not altogether clear that the balance of £180 is not intended to be recurrent. In all the circumstances My Lords agree to the provision proposed, on the understanding that it will not commit Them to provision in excess of £13,000 in future years.

Head XI Item 73. My Lords agree to the provision proposed on the understanding that it is without prejudice to reconsideration of the apportionment of the cost of the Desert Mobile Medical Unit in the light of a year's working.

Head XVA Item 7. My Lords consider that the cost of resurfacing the Amman-Es Salt Road should be charged to Head XXIII, the provision under Head XVA Item 7 being reduced to £10,000.

Head XXIII Item 8. The case for new Post, Telegraph and Telephone Accommodation at Amman has not been fully set out, and as this proposal involves a considerable commitment, My Lords would be glad to have an opportunity, before any expenditure is incurred, to consider in detail the case for undertaking this work in present financial circumstances. They would wish to be informed, in particular, what rent is paid for the existing building, whether it is maintained by the Trans-Jordan Government and if so at what cost.

4. My Lords agree that the expenditure of £10,000 sanctioned by the Treasury letter of the 7th July last, S.40978‡, should be borne by Palestine.

5. For the reasons explained in Mr. Hale's letter of the 7th November to Mr. Blaxter, S.38628§, My Lords prefer that the sum of £15,000 required to enable the Agricultural Bank to make seed loans to cultivators should be provided in the Supplementary Estimate that will in any case be required for Colonial and Middle Eastern Services, rather than that it should be borrowed from Palestine. These reasons are not, in Their view, affected by the fact that it will not be necessary to include in the Supplementary Estimate provision for a further grant in aid of administration.

I am, &c.,

J. A. BARLOW.

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* No. ~~77029/36 [No. 85]~~. 57

† No. ~~77029/36 [No. 80]~~. 56

‡ No. 77139/36 [No. 7]: not printed.

§ No. 77051/36 [No. 7]: not printed.

Trans-Jordan Estimates—(C.28409/129). 12.

Working Copy. 9/3/37

77029/36 [No. 91]. No. 60. PROOF.

TRANS-JORDAN.

THE ACTING HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 15th March, 1937.)

(Secret.)

SIR, Jerusalem, 5th March, 1937.

I have the honour to refer to your telegram No. 10 of the 28th January, 1937*, on the subject of the Estimates of the Trans-Jordan Administration for the financial year 1936/37, in which you ask for a full report on the project for the construction of accommodation for the Department of Posts, Telegraphs and Telephones at Amman.

2. I enclose herein a memorandum submitted by the British Resident, which gives full details of the present position and of the considerations which have led to the conclusion that it is desirable that the Trans-Jordan Government should undertake the construction of new accommodation for the Department.

I have, &c.,

J. HATHORN HALL,

Acting High Commissioner for Trans-Jordan.

Enclosure in No. 60

MEMORANDUM ON THE PROPOSAL OF THE TRANS-JORDAN GOVERNMENT TO CONSTRUCT PREMISES FOR THE ACCOMMODATION OF THE DEPARTMENT OF POSTS AND TELEGRAPHS AT AMMAN.

1. The Department is at present housed in leased premises which are situated in a convenient central position on the main square which comprise accommodation at street level for the urban Post Office, and, on the first and second floors, for the Department offices and for the central telegraph and telephone sections. The stores branch is accommodated in inconvenient and inadequate premises in a back lane nearby.

2. The contracted annual rent of this accommodation is as follows:—

(*a*) Offices	... ...	£P.423
(*b*) Stores	... ...	£P.60
		£P.483

The leases covering the above accommodation are annual with the exception of a two year lease expiring on the 31st March, 1939, which is for the second floor of the main building, an extension now under construction by the landlord to provide essential additional accommodation pending the acquisition of new premises.

The buildings are not maintained by Government.

3. The extent of the accommodation which the whole premises provide, including the extension referred to above, in relation to the number of staff employed therein, and to the use to which they are put is as follows:—

Ground floor.	*Net free floor space M².*	*Number of occupants.*	*Use.*	*Remarks.*
Room No.				
1	43	7	Post Office	16 M² for public use.
2	17	7	Sorting room	—
3	28·2	—	Store	For working gangs.
4	17	—	Store	For revenue safes, archives, etc.
First floor.				
1	9·6	2	Test room	—
2	7·2	5	Telephone exchange ..	—
3	6·4	3	Telegraph room ..	—
4	6·9	2	Technical assistants ..	—
5	14·9	—	Corridor	—

* No. ~~77029/36 [No. 87]~~. 58

Ground floor.	Net free floor space M².	Number of occupants.	Use.	Remarks.
First floor—cont.				
6	8·9	—	Store	For linesmen's equipment.
7	12·8	7	Engineering office ..	—
8	3	—	Store	For archives and batteries.
9	9·7	2	Accounts branch ..	—
10	9·2	2	Accounts branch ..	—
11	5·1	—	Stove room	—
12	7·5	—	Store	For archives.
13	11	1	Accounts branch ..	Converted corridor.
14	9·2	3	Accounts branch ..	—
15	10·2	1	Cashier's room	—
Second floor.				
1	18·7	4	Administration clerks ..	—
2	17·5	1	Secretary	—
3	11·9	1	Postmaster General ..	—
4	11·6	1	Inspector	—
5	9·3	—	Store	For archives.
Stores building.				
1	17·5	—	Store	12 M² occupied.
2	21	—	Store	10 M² occupied: converted corridor.
3	15·6	—	Store	12 M² occupied.
4	16·6	—	Store	12 M² occupied.
5	25	2	Stores staff	10 M² occupied.
6	16	—	Store	For wood and fuel.
7	16	—	Store	For sundry material.
8	205	—	Courtyard	15 M² occupied by material which should be under cover.

These figures indicate the state of overcrowding that exists, which, together with the unsuitable arrangements for sanitation and the inconvenient nature of the house plan for the purpose of the Department, necessitate an improvement in the accommodation.

4. The question of the provision of new premises for the Department arose at the outset in connexion with the approval of the Secretary of State contained in his Trans-Jordan despatch, Confidential (2) of the 8th of March, 1935*, for the issue of a loan from the Colonial Development Fund to enable the Department to purchase and install a new Central Battery telephone exchange at headquarters. Close consideration of the question of accommodation for the new and larger exchange and the additional staff required for its operation revealed that that used for the present instrument would not be adequate having regard to the acute congestion already existing in other parts of the building.

5. The possibility of acquiring separate leased premises for the new exchange and its staff was considered but was held to be uneconomic and administratively inconvenient, for not only is multiple leasing unduly expensive, but it is also highly desirable to keep the telephone operating and technical staff under that constant central inspection and supervision which can best be exercised beneath one roof. It was further advised by the Chief Engineer of the Department of Posts and Telegraphs of the Government of Palestine, who was brought in as consultant, that once installed the new exchange ought not to be moved during its normal life of from 15 to 20 years, and that it should therefore be housed in premises either of a permanent nature or having a secured tenure of at least that period.

6. Having regard to the necessity for the acquisition of a permanent or quasi-permanent telephone exchange building of adequate size and convenient situation, and to the pressing need which already existed to provide for better accommodation for the Postmaster General's headquarter and local staff which would relieve the existing congestion and allow of reasonable expansion side by side with the steady growing activities of the Department in all its branches, it was considered to be most desirable to combine the two purposes and to house the whole of the General Post Office at Amman in one new building.

7. No convenient block of buildings in a suitable position exists in Amman capable of fulfilling these requirements, the possibility of inducing owners of suitable sites to erect the required premises was explored, but it became evident that any such

* No. 77093/3/35 [No. 4]: not printed.

arrangement would be both expensive and uncertain. The landowners consulted required large advances of money from Government on account of future rental before beginning operations; and in addition there was the danger that the building lessor might fail to carry out his undertaking, and leave the Government still without a building, and with the necessity of going to Law to recover any monies which had been advanced. It was therefore decided that the most satisfactory and in the end the cheapest method would be for the Government itself to acquire a suitable site and erect the necessary building.

8. Preliminary plans and estimates were prepared by the Departments of Public Works and of Posts and Telegraphs, and a suitable plot of vacant land situated at the junction of the Jerusalem road with the main square in Amman was earmarked provisionally; and its development for other purposes is in the meantime not being permitted.

9. The total cost of the acquisition of the site and the construction of the building was estimated at £P.9,700. It was contemplated in August, 1935, that the cost of the scheme, which at that time appeared to be more than could be afforded from the resources of the Government, might be provided by the Colonial Development Fund either by loan or by free grant. It was however held by the High Commissioner that while it might be desirable it was not absolutely essential that the exchange should be housed in the same premises as other sections of the Post Office; and in the circumstances His Excellency considered that any application for further assistance from the Colonial Development Fund should be confined to the provision of such premises as might be strictly necessary for the purpose of the exchange alone. He enquired whether it would be possible to provide from current revenue the funds required for the purchase or construction of an exchange building, failing which he would consider whether an application therefore should be made to the Colonial Development Fund Advisory Board.

10. The financial situation at the time of the preparation of the draft Estimates for 1936/37 was deemed sufficiently favourable to allow of provision being made therein not only for the cost of the purchase and installation of the exchange itself—thereby allowing of the saving of eventual interest charges on the loan of £P.4,000 which had been approved by the Secretary of State—but also for the round sum of £P.10,000 to cover the cost of the comprehensive building scheme. In regard to the former the Secretary of State suggested in his telegram No. 1 of the 4th of January, 1936*, that in order to allow the Grant-in-Aid for 1936/37 to be reduced the proposal should not be proceeded with and that the approved loan should be taken up: this course was agreed to. In regard to the latter, the deterioration of the financial position of Government during 1936/37 owing principally to bad harvests and to the situation in Palestine, together with the delay in the approval of the Estimates, occasioned the reduction of the provision from the full sum of £P.10,000 to an amount of £P.2,000 to cover the first necessity of the scheme, namely the purchase of the site. With the approval of this provision—separate approval of the expenditure of which should be obtained as soon as possible to enable expeditious purchase of the site before land values rise—the construction programme is designed to be spread over two years or such less period as may be made possibly by the early approval of the completing provision which will be made in the Estimates for 1938/39, expenditure of £P.4,000 having been proposed in 1937/38.

11. By these means it is hoped that the building may be completed before the winter of 1938, at which time the new exchange which will have been purchased from funds provided by the loan from the Colonial Development Fund will be installed in its permanent quarters.

12. In the meantime certain essential improvements in the exchange and distribution system have been made from funds available, such as will barely suffice to maintain the existing telephone system at a reasonable level of efficiency and to provide for such small part of the expansion in the service as may be possible until the new exchange is in operation. Pending that time a considerable number of applications for telephone installations and extensions will have to be held over.

13. To summarize the financial justification for the scheme, the present rentals amount to £P.483 a year for the existing accommodation which is inadequate to allow of the housing of the new exchange. If suitable premises for hire could be found for the latter that amount would be increased by approximately £P.150 to £P.633. With the normal expansion of the Department and with the rise in rental values in the centre of the town, it is contemplated that this figure would rise to £P.700 within the next ten years. On this basis the capital sum to be expended on the scheme, irrespective of interest and maintenance charges, would be covered by savings on rentals within about sixteen years.

* No. ~~77029/35 [No. 11]~~. 24

Working Copy.

77029/36 [No. 92]. No. 61. PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 5th April, 1937.)

[*Answered by No. ~~77029/36 [No. 98].~~* 62.

(No. 43.)

SIR, Jerusalem, 27th March, 1937.

I have the honour to inform you that in view of the approaching close of the financial year I have sanctioned, subject to your covering approval, the following reappropriations in the Estimates of the Trans-Jordan Government for 1936/37 which exceed the limit of £P.100 which is laid down in paragraph 11 of the Instructions to the High Commissioner for Trans-Jordan.

(i) £P.600 from general savings to Head IV, Item 1, Pensions.

Sums aggregating £P.916, which are additional to the estimated commitments, have recently been paid as a result of the admission of claims involving the payment of arrears. In two instances it has been necessary to pay sums of £P.92 covering periods from October, 1924, and among the others are amounts of £P.132 and £P.80 covering periods from January and March, 1932.

(ii) £P.1,300 from general savings to Head IV, Item 2, Gratuities.

The largest commitment which has contributed to the excess under this Item is a payment of £P.541 consequent on the death of the President of the Court of Appeal. The remaining excess is mainly due to the fact that an exceptional number of members of the Arab Legion, who had been contributing towards their gratuities for some years past, have left the Legion lately.

(iii) £P.100 from Item 78, Secret Service Expenditure, and £P.150 from Item 86, Postage, Telephones and Telegrams, of Head XVIIIA, Arab Legion, to Item 75, Hire of Transport, of the same Head.

This excess is directly attributable to the Palestine disorders, as the Officer Commanding, Arab Legion, reports that his additional hirings on that account amounted to £P.390.

(iv) £P.350 from Item 71, Purchase of Clothing, to Item 89, Petrol and Maintenance of Transport, of Head XVIIIA, Arab Legion.

This excess also arises out of the disorders in Palestine, on account of which much greater use was made of the Arab Legion transport than would normally have been the case. Moreover, the establishment of the Legion was increased by six cars in the course of the year.

2. I shall be grateful if I may have your covering approval of these reappropriations.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

Trans-Jordan Estimates—(C.28409/131). 12.

Working Copy.

77029/36 [No. 93]. No. 61. PROOF.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(No. 57.)

SIR, Downing Street, 22nd April, 1937.

I have the honour to acknowledge the receipt of your despatch No. 43 of the 27th March* and to convey to you my covering approval of the following reappropriations in the Estimates of the Trans-Jordan Government for 1936–37:—

(i) £P.600 from general savings to Head IV, Item 1, Pensions.

(ii) £P.1,300 from general savings to Head IV, Item 2, Gratuities.

(iii) £P.100 from Item 78, Secret Service Expenditure, and £P.150 from Item 86, Postage, Telephones and Telegrams, of Head XVIIIA, Arab Legion, to Item 75, Hire of Transport, of the same Head.

(iv) £P.350 from Item 71, Purchase of Clothing, to Item 89, Petrol and Maintenance of Transport, of Head XVIIIA, Arab Legion.

I have, &c.,

W. ORMSBY GORE.

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* No. ~~77029/36 [No. 92]~~. 61

Working Copy

TRANS-JORDAN FRONTIER FORCE

Working Copy.

77030/36 [No. 1]. No. 63. PROOF.

TRANS-JORDAN.

THE HIGH COMMISSIONER

to

THE SECRETARY OF STATE.

(Received 13th January, 1936.)

[*Answered by No. ~~77030/36 [Nos. 8 and 10].~~*] 66

High Commissioner for Trans-Jordan,

(Secret.) Jersualem, 9th January, 1936.

SIR,

I have the honour to refer to your predecessor's despatch No. 167 of the 18th October, 1935*, and to transmit herewith the detailed Estimates of the Trans-Jordan Frontier Force for the financial year 1936-37, which form Heads XXI and XXIX of the Palestine Estimates.

2. It will be seen that Head XXI shows an increase of £P.2,142 in comparison with the approved Estimates for the current financial year; but the increase in special expenditure is £P.4,125 and there is a reduction in recurrent expenditure of £P.1,983. The estimated expenditure on extraordinary works, on the other hand, is £P.2,429 less than the sum approved for 1935-36. The grant-in-aid required will be £P.146,847 calculated as follows:—

	£P.
Three-quarters of estimated ordinary expenditure (three-quarters of £P.182,362)	136,772
Whole estimated expenditure on extraordinary works in Trans-Jordan	10,075
	£P.146,847

3. The only changes which are proposed in the establishment of the Force relate to a reorganization of the workshops staff. The Officer Commanding has found that under present arrangements mechanics generally leave the Force on the termination of their first contract. When enlisted they are usually inefficient, or unacquainted with the type of vehicles used in the Force: after three years' service they become efficient mechanics, and are able to obtain higher wages in civil employment. For the sake of the efficiency of the Frontier Force it is necessary to check this tendency, and after careful consideration Lieutenant-Colonel Miller recommends a slight revision of the workshops establishment with a view to providing opportunities of promotion for more competent mechanics, and to assimilating the scale of pay to the rates paid in other Government Departments and in civilian firms. He recommends the appointment of a Company Quartermaster Sergeant Mechanic at £P.18 a month, the appointment of a second Sergeant Mechanic at £P.16 a month, and the appointment of a tinsmith at £P.10 a month. To offset these increases Lieutenant-Colonel Miller proposes to decrease the pay of Corporal Mechanics from £P.15 to £P.14 a month, to reduce by two the number of mechanics at £P.12 a month, and to reduce by one the total number of privates in the Force. The effect of these changes is as follows:—

	£P.	£P.
Increases:		
Item 45: 1 Company Quartermaster Sergeant Mechanic	216	
Item 46: 2 Sergeant Mechanics	192	
Item 48: 2 Corporal Mechanics at £P.14 per month ...	336	
Item 50: 1 Tinsmith	120	
	——	864
Decreases:		
Item 40: 1 Private	72	
Item 42: Trade Pay	15	
Item 47: 2 Corporal Mechanics at £P.15	360	
Item 49: 2 Mechanics	288	
	——	735
Net increase ...		£P.129

* No. 77030/35 [No. 2]: not printed.

There is also an estimated decrease of £P.500 under Item 78, Maintenance of Mechanical Transport, arising from the improved equipment and general reorganization of the workshops. This decrease is partly dependent on the retention of efficient mechanics.

The other items of Personal Emoluments in which increases are provided, apart from increments, are Item 8, Duty Pay for the Adjutant for a whole year at the new rate; Items 41 and 43, which make provision for Proficiency Pay and Good Conduct Pay based on actual expenditure and the number of badges which it is estimated will be earned in 1936-37; Item 71, Cost of Living Allowances at the increased rates sanctioned by your predecessor's telegram No. 206 of the 28th June, 1935*; and Item 73, Furniture Allowances payable under the new conditions of service to officers for whom Government furniture has not yet been provided.

4. Under Other Charges the only increase is in Item 99, Purchase of Remounts, where £P.1,500 has been provided in order to complete the establishment of horses. The corresponding item approved in the Estimates for the current financial year was £P.1,000, but I have since authorized the issue of a Special Warrant for £P.500 to enable further remounts to be bought.

5. The variations in the different items included under Special Expenditure are briefly explained in the " Remarks " column of the Estimates. The following further explanations are submitted in respect of certain items.

Item 112: Vickers Guns.—These are Mark IV (*b*) Guns required in connexion with the scheme for the reorganization of the mechanized companies of the Force, details of which I submitted to you in my despatch secret A of the 7th June, 1935†.

Item 113: Bren Machine Guns.—This proposal follows the recommendations of the Officer Commanding, Trans-Jordan Frontier Force, contained in his memorandum on the reorganization scheme referred to above.

On the instructions of the Commanding Officer, Armourer Staff Sergeant Young has made a detailed examination of the condition for service of all Hotchkiss, Lewis and Vickers Mark I guns in the Force. He reports that of the twenty-eight Hotchkiss guns twenty-one are unserviceable by British Army first-line standards; the remaining seven are serviceable. Of the twenty-three Lewis guns, twelve are unserviceable by the same standards and the remainder, although rather below standard, are in serviceable condition. All the Vickers Mark I guns are in good condition.

I am in agreement with Lieutenant-Colonel Miller's proposal that the Frontier Force should be re-equipped with the Bren gun (Z.G.B.) as soon as these become available. The total number required is forty-four, and they will replace all the Hotchkiss, Lewis and Vickers Mark I guns now in the Force. It is proposed, however, to retain the present Vickers Mark I guns as a reserve for camp defence in times of emergency. I understand that the date on which Bren guns will be available is still uncertain, as it depends on the rapidity with which they can be produced in the United Kingdom. If they should not become available during the coming year it is proposed if necessary to replace the Hotchkiss guns in the Mechanized Companies by existing Lewis guns. The Officer Commanding advises me that in this way the fighting efficiency of the Force will be maintained for the time being with its present equipment. I shall be glad, however, if the War Office may be asked to approve the acquisition by the Frontier Force of the required forty-four Bren guns during the coming financial year.

Item 116: Hospital Equipment.—See remarks under Item 8 in paragraph 6 of this despatch.

Item 117: Animals for Horse Breeding.—I enclose a copy of a memorandum by the Officer Commanding, Trans-Jordan Frontier Force, on the necessity to initiate measures for improving the breed of Arab horses in Trans-Jordan, and setting out a scheme therefor. I concur in his view that the Frontier Force, by buying horses of high quality in Trans-Jordan and castrating them for military purposes, is depleting the country of its best sires, and that if the process continues there will eventually be no good Arab horses in the territory. After consultation with my advisers I am in general agreement with Lieutenant-Colonel Miller's proposals, and provision of £P.570 has been made for the purchase of three stallions and eight yearlings as he suggests. No provision, however, has been made for additional personnel as I consider that the scheme should be operated with the existing establishment of the Force.

* No. 75005/35 [No. 35]: not printed.

† No. 77003/35 [No. 11]: not printed.

6. Of the Works Extraordinary in Palestine, Items 2, 3, 5 and 6 provide for the continuation of the programme for the replacement of temporary buildings by semi-permanent buildings, of which mention is made in paragraph 10 of my secret despatch of the 7th December, 1933*. Apart from the buildings now provided for, the only temporary structures remaining, all of which are considered to be serviceable for the coming financial year, are: at Beisan, ablution rooms and latrines; at Jisr el Mejami, 1 British Officer's quarter, 2 local officer's quarters, 1 barrack room, offices and stores, canteen dining rooms, saddle and forage rooms and forge.

Item 1 provides for the construction of married quarters for Other Ranks at Rosh Pinna. This has hitherto been deferred on account of the failure to secure a satisfactory water supply to the camp. It is desirable, however, that their provision should not be further delayed, and the reserve water tank, provision for which is included under Item 4, will safeguard the camp and married quarters from a shortage of water.

Item 4 provides for a reserve 3,000-gallon water tank at the camps at Rosh Pinna and Beisan. At the latter place it is desirable since the camp is now provided from the new Beisan town supply, and precautions must be taken against a breakdown of the Municipal pumping plant or the cutting off of the supply for any other reason.

Item 7 includes provision for revising the drainage systems at all the Jordan Area camps except Jisr el Mejami. A report by the Senior Medical Officer of the Frontier Force is attached. The present drainage system was installed on a temporary basis in the camps in question when they were first constructed, and it is now evident that it cannot safely be retained. It is now proposed to maintain dry latrines with incinerators for all latrines other than the W.Cs. already installed in British Officers' quarters. Proper provision will be made for the disposal of waste water from kitchens, wash-houses, stables and officers' W.Cs. I regard this work as essential for the maintenance of the health of the camps. It is proposed to spend £P.500 at Rosh Pinna, £P.550 at Beisan and £P.350 at Samakh. At Jisr el Mejami the present system of drainage by percolating pits is still hygienic.

Item 8 provides £P.850 for the construction of a Hospital for the Jordan Area. A report by the Senior Medical Officer on the existing Hospital arrangements is attached. The present building was constructed of " Celotex " on a temporary basis, and is now quite unsuitable as a Hospital for the Force, and I agree that it is a matter of urgency that it should be replaced. The estimate of £P.850 must be regarded as provisional. It will be seen that Major Robinson recommends that the new Hospital should be at Samakh: the Officer Commanding, however, would prefer to have it at Jisr el Mejami, and the estimate is based on the assumption that it will be at the latter place. This point is being further examined, and I shall inform you of my conclusions in due course. Without going into details at this stage, however, I may say that the estimated cost is £P.4,000 if the Hospital is to be located at Samakh.

Item 9 provides £P.600 for the completion and asphalting of roads within Beisan camp, and £P.600 for similar work at Samakh.

Item 10 provides for the construction at Samakh of a kraal required for the horse-breeding scheme mentioned under Item 117 in paragraph 5 of this despatch.

7. Under Works Extraordinary in Trans-Jordan *Item 11* provides for a revote of the sum of £P.430 approved in paragraph 2 of your predecessor's secret despatch of the 11th September, 1935†.

Item 12 covers the construction of further semi-permanent buildings at Zerka in replacement of temporary structures in accordance with the programme already embarked upon.

Item 13 provides for the reconstruction of the laundry building at Ma'an: this camp will then be complete with semi-permanent buildings.

Item 14 provides for the re-conditioning of existing metalled and asphalted roads at the Zerka and Ma'an camps which are in need of repair.

Item 15 may be divided into three sub-items:—

(*a*) £P.700 for the installation of doors, partitions, internal electric light wiring and fittings, and for painting, in the mechanical transport workshops at Zerka;

(*b*) £P.1,800 for the construction, adjacent to the workshops, of a properly fitted store for the technical mechanical transport stores which are at present housed in the congested quartermaster's store, and the provision of an office for the officer in charge of Headquarters mechanical transport, the British Warrant Officer in charge of the workshops, the mechanical transport storeman and the ledger clerk;

(*c*) £P.800 for a Blacksmith's and Machine Shop to replace unserviceable shops of galvanized iron sheeting erected by the Frontier Force pioneers in 1929.

* No. 26 in Middle East No. 51.

† No. ~~77104/35 [No. 19]~~ 27 in Middle East No. 55

Item 16 makes provision for the construction of a kraal for the horse-breeding scheme similar to that mentioned in the preceding paragraph, under Item 10.

8. With reference to paragraph 4 of Sir Philip Cunliffe-Lister's secret despatch of the 30th March, 1935*, I have to inform you that the anticipated revenue, during the financial year 1936-37, in respect of rents for married quarters of Other Ranks constructed in Trans-Jordan, is £P.900.

I have, &c.,

ARTHUR WAUCHOPE,

High Commissioner for Trans-Jordan.

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* No. 77104/35 [No. 2], 70 in Middle East No. 55.

Enclosure 1 in No. 63

TRANS-JORDAN FRONTIER FORCE ESTIMATES, 1936/37.

Item.	1935/36.	1936/37.	*Details of Expenditure.*	*Approved Estimates, 1935/36.*	*Estimates, 1936/37.*	*Increase.*	*Decrease.*	*Remarks.*
			A.—PERSONAL EMOLUMENTS					
			British Ranks	£P.	£P.	£P.	£P.	
1	1	1	Commanding Officer at £P. 1,100 p.a.	1,100	1,100	—	—	
2	—	—	Command Pay at 500 mils p.d.	183	183	—	—	
3	1	1	Second-in-Command at £P. 900 p.a.	900	900	—	—	
4	—	—	Duty Allowance at £P. 50 p.a.	50	50	—	—	
5	1	—	Adjutant—£P. 600–50–700	87	—	—	87	
6	1	1	Adjutant at £P. 550 p.a.	482	550	68	—	
7	—	—	Duty Allowance at £P. 50 p.a.	6	—	—	6	5–8. Change in holder.
8	—	—	Duty Pay at 250 mils p.d.	80	92	12	—	
9	4	4	Company Commanders—£P. 700–50–800	3,404	3,200	—	204	9–11. Changes in holders.
10	1	1	Company Commander at £P. 700 p.a.	510	700	190	—	
11	—	—	Duty Allowance at £P. 50 p.a.	214	200	—	14	
12	1	1	Senior Medical Officer at £P. 800 p.a.	800	800	—	—	
13	1	—	Senior Veterinary Officer—£P. 600–50–700	152	—	—	152	
14	1	1	Senior Veterinary Officer at £P. 700 p.a.	548	700	152	—	
15	—	—	Duty Allowance at £P. 50 p.a.	11	—	—	11	15. Not payable under new conditions of service.
16	4	2	Company Officers—£P. 600–50–700	3,100	782	—	2,318	
17	6	8	Company Officers at £P. 500–55–700 p.a.	2,816	4,743	1,927	—	16–17. Changes in holders.
18	1	1	Signalling Officer at £P. 600–50–700	700	700	—	—	
19	1	—	Quartermaster at £P. 600–50–700	700	—	—	700	19–22. New conditions of service.
20	—	1	Quartermaster at £P. 700 p.a. (£P. 600–20–700)	—	700	700	—	
21	1	—	Paymaster at £P. 600–50–700	686	—	—	686	
22	—	1	Paymaster at £P. 700 p.a. (£P. 600–20–700)	—	700	700	—	
23	1	—	Workshops Officer—£P. 600–50–700	460	—	—	460	23–24. Change in holder.
24	1	1	Workshops Officer at £P. 500–550 p.a.	161	550	389	—	
25	6	6	Warrant Officers—£P. 290–10–340	1,994	2,014	20	—	25. Increments.
26	—	—	Expatriation Allowances at £P. 50 p.a.	300	300	—	—	
27	1	1	Farrier Staff Sergeant—£P. 240–10–280	259	269	10	—	27. Increment.
28	—	—	Expatriation Allowance at £P. 50 p.a.	50	50	—	—	
29	2	2	Mechanical Staff Sergeants—£P. 240–10–280	560	490	—	70	29. Changes in holders.
30	—	—	Expatriation Allowances at £P. 50 p.a.	100	100	—	—	
31	—	—	Compensatory Allowances	75	72	—	3	
			Carried forward	[illegible]	[illegible]	[illegible]	[illegible]	

TRANS-JORDAN FRONTIER FORCE ESTIMATES, 1936/37—*contd.*

Item.	1935/36.	1936/37.	*Details of Expenditure.*	*Approved Estimates, 1935/36.*	*Estimates, 1936/37.*	*Increase.*	*Decrease.*	*Remarks.*
			A.—PERSONAL EMOLUMENTS—*contd.*					
			Local Ranks	£P.	£P.	£P.	£P.	
			Brought forward	[redacted]	[redacted]	[redacted]	[redacted]	
32	23	23	Local Officers. 3 Qaids. £P. 300–20–400. 7 Raises. £P. 252– 8–300. 13 Mulazims. £P. 208– 8–248.	6,029	6,158	129	—	32. Increments.
33	—	—	Duty Allowance at £P. 50 p.a.	50	50	—	—	
34	3	3	Medical Officers—£P. 300–12–420–10–430–15–550	1,335	1,331	—	4	34. Change in holder.
35	1	1	Veterinary Officer—£P. 300–20–400	400	400	—	—	
36	6	6	Company Quartermaster Sergeants at £P. 150 p.a. ..	900	900	—	—	
37	32	32	Sergeants at £P. 10 p.m.	3,840	3,840	—	—	
38	6	6	Lance-Sergeants at £P. 9 p.m.	648	648	—	—	
39	31	31	Corporals at £P. 8 p.m.	2,976	2,976	—	—	
40	669	668	Privates at £P. 6 p.m.	48,168	48,096	—	72	40. One transferred to item No. 50.
41	—	—	Proficiency Pay	3,600	4,200	600	—	41. Payable under regulation; based on actual expenditure.
42	—	—	Trade Pay	2,500	2,485	—	15	42. Reduced by £P. 15 for item No. 50.
43	—	—	Good Conduct Pay	4,200	5,000	800	—	43. Based on estimated number of badges.
44	—	—	Instructors' Pay	60	30	—	30	44. Extra pay for N.C.O. instructors.
45	—	1	C.Q.M.S. Mechanic at £P. 18 p.m.	—	216	216	—	45–50. New Establishment for Workshops.
46	1	2	Sergeant Mechanics at £P. 16 p.m.	192	384	192	—	
47	2	1	Corporal Mechanics at £P. 15 p.m.	360	—	—	360	
48	—	2	Corporal Mechanics at £P. 14 p.m.	—	336	336	—	
49	11	9	Mechanics at £P. 12 p.m.	1,584	1,296	—	288	
50	—	1	Tinsmith at £P. 10 p.m.	—	120	120	—	
51	10	10	Corporal Drivers at £P. 12 p.m.	1,440	1,440	—	—	
52	33	33	Drivers at £P. 10 p.m.	3,960	3,960	—	—	
53	1	1	Power House Superintendent at £P. 15 p.m.	180	180	—	—	
54	4	4	Electrician Mechanics at £P. 12 p.m.	576	576	—	—	
55	1	1	Wireless Mechanic at £P. 12 p.m.	144	144	—	—	
56	1	1	Bodymaker at £P. 12 p.m.	144	144	—	—	
57	1	1	Painter at £P. 10 p.m.	120	120	—	—	
58	1	1	Pumpman at £P. 10 p.m.	120	120	—	—	
59	1	1	Blacksmith at £P. 10 p.m.	120	120	—	—	
60	8	8	Clerical Officers. 1. £P. 288–12–360. 2. £P. 180–8–276. 5. Soldier Clerks at £P. 10 p.m.	1,387	1,415	28	—	60. Increments.
61	1	1	Regimental Records Officer—£P. 180–8–276	228	236	8	—	61. Increment.
62	—	—	Compensatory Allowances	10	10	—	—	
63	26	26	Sanitarymen at £P. 4.500 mils p.m.	1,404	1,404	—	—	
64	—	—	Reservists	2,898	2,898	—	—	
65	1	1	Assistant Engineer at £P. 360–10–480	386	398	12	—	65. Increment. Underestimated in 1935/36.
66	1	1	Foreman—£P. 180–8–276	252	182	—	70	66. Change in holder.
67	2	2	Foremen—£P. 60–6–168	288	296	8	—	67. Increments.
68	1	1	Clerk—£P. 60–6–168	136	136	—	—	68. Overestimated in 1935/36.
69	—	—	Remuneration of Part Time Teachers	96	96	—	—	
70	20	20	Recruits at £P. 4.500 mils p.m.	1,080	1,080	—	—	
71	—	—	Cost of Living Allowances	775	1,125	350	—	71. Increased rates.
72	—	—	Officers' Outfit Allowances	180	160	—	20	
73	—	—	Furniture Allowances	200	470	270	—	73. Payable under new conditions of service.
			Total Personal Emoluments ..	113,454	115,121	7,237	5,570	
			B.—OTHER CHARGES					
74			Pensions Contributions, Pensions and Gratuities	4,500	4,500	—	—	
75			Transport and Travelling	3,000	3,000	—	—	
76			Railway Fares and Freight	5,300	5,300	—	—	
77			Passages	600	600	—	—	
78			Maintenance of Mechanical Transport	9,000	8,500	—	500	78. Anticipated permanent decrease, due to new workshops and improved tools and plant.
79			Arms, Equipment, Uniforms and Clothing	9,000	7,000	—	2,000	79. New clothing regulations and longer life of clothing.
80			Ammunition	2,000	2,000	—	—	
81			Harness and Saddlery	900	800	—	100	81. Based on actual expenditure.
82			Horse Shoe and Stable Requisites	1,200	1,150	—	50	82. Improved and more economical equipment.
83			Forage	10,500	9,000	—	1,500	83. Cheaper contracts.
84			Camp Equipment	600	600	—	—	
85			Fuel and Light	1,800	1,800	—	—	
86			Furniture and Barrack Stores	750	750	—	—	
87			Stationery and Printing	475	475	—	—	
88			Miscellaneous Stores	700	700	—	—	
89			Maintenance of Signalling and W.T. Apparatus	800	800	—	—	
90			Medical Services	1,000	1,000	—	—	
91			Veterinary Services	150	150	—	—	
92			Rents of Camps, Quarters and Training Areas	111	111	—	—	
93			Current Repairs and Maintenance of Camps and Buildings	2,200	2,200	—	—	
94			Water Supply and Conservancy	500	500	—	—	
95			Crown Agents' Expenses	350	350	—	—	
96			Typewriters and Duplicators	50	50	—	—	
97			Telegrams, Telephones and Postage	850	850	—	—	
98			Contingencies	60	60	—	—	
99			Purchase of Remounts	1,000	1,500	500	—	99. To complete establishment.
100			Rations	500	500	—	—	
101			Replacement of Mechanical Vehicles	5,500	5,500	—	—	101. Approved replacement programme.
			Total Other Charges ..	63,396	59,746	500	4,150	

Enclosure 1 in No.63 .—contd.

TRANS-JORDAN FRONTIER FORCE ESTIMATES, 1936/37—*contd.*

Item.	*Details of Expenditure.*	*Approved Estimates, 1935/36.*	*Estimates, 1936/37.*	*Increase.*	*Decrease.*	*Remarks.*
	SPECIAL EXPENDITURE	£P.	£P.	£P.	£P.	
102	Workshops, Tools and Plant	720	275	—	445	102. Woodworking machine required for the repair and construction of M.T. vehicle bodies.
103	S.M.L.E. Rifles	400	700	300	—	103. To replace 100 worn-out rifles.
104	Fire Extinguishers	225	—	—	225	
105	X-Ray Apparatus	250	—	—	250	
106	Horse Slings	25	—	—	25	
107	Office Furniture	50	50	—	—	107. Steel furniture needed for confidential and secret documents at outstations.
108	Wireless Apparatus	400	—	—	400	
109	Weighing Machine	100	30	—	70	109. To replace damaged machine.
110	Furniture for British Officer's Quarters	1,200	900	—	300	110. Revote. Only £P. 300 expended in 1935/36.
111	Printing Training Books and Manuals	—	100	100	—	111. For Arabic manuals for Musketry, etc.
112	Vickers Guns and Mountings	—	900	900	—	112. Two Vickers guns required for the approved reorganisation of mechanical units.
113	Bren Machine Guns	—	3,520	3,520	—	113. Forty-four Bren guns required to replace Vickers, Hotchkiss and Lewis guns.
114	Reconditioning Tentage	—	200	200	—	114. Tentage needs overhaul by expert tent makers.
115	Survey Instruments	—	100	100	—	115. Level and theodolite required by Works Engineer.
116	Hospital Equipment	—	150	150	—	116. To equip new hospital at Jisr el Mejamie.
117	Animals for Horse Breeding	—	570	570	—	117. To buy stallions and yearlings for horse breeding.
	Total Special Expenditure	3,370	7,495	5,840	1,715	
	Total Personal Emolument	113,454	115,121	1,667	—	
	Total Other Charges	63,396	59,746	—	3,650	
	Total Special Expenditure	3,370	7,495	4,125	—	
	Total Trans-Jordan Frontier Force	£P. 180,220	182,362	5,792	3,650	Increase, £P. 2,142.

Enclosure 1 in No.63 .—contd.

TRANS-JORDAN FRONTIER FORCE—WORKS EXTRAORDINARY.

Item.	*Details of Expenditure.*	*Original Estimate.*	*Revised Estimate.*	*Estimated Total Expenditure to 31.3.36.*	*Estimate, 1936/37.*
	IN PALESTINE	£P.	£P.	£P.	£P.
1	Men's Married Quarters, ~~Roshpinah~~ Rosh Pinna	2,150	2,500	—	2,500
2	Additions to Beisan Camp	2,480	—	—	2,480
3	Reconstruction of Beisan Camp	200	—	—	200
4	Reserve Water Tanks	200	—	—	200
5	Reconstruction of ~~Roshpinah~~ Camp	330	—	—	330
6	Reconstruction of Jisr el Mejamie Camp	330	—	—	330
7	Reconstruction of Drainage Systems	1,400	—	—	1,400
8	Hospital, Jisr el Mejamie	850	—	—	850
9	Roads in Jordan Area Camps	1,200	—	—	1,200
10	Kraal for Horse Breeding, Samakh	400	—	—	400
	Total in Palestine				£P. 9,890
	IN TRANS-JORDAN				
11	Construction of A.F.V. Range	430	—	—	430
12	Reconstruction of Zerka Camp	15,575	—	10,700	5,225
13	Reconstruction of Ma'an Camp	370	—	—	370
14	Roads in Trans-Jordan Camps	350	—	—	350
15	Workshops and Technical Stores, Zerka	3,300	—	—	3,300
16	Stud Farm, Zerka	400	—	—	400
	Total in Trans-Jordan				£P. 10,075
	Total Trans-Jordan Frontier Force Extraordinary				£P. 19,965

Enclosure 2 in No. 63

MEMORANDUM ON HORSE BREEDING IN TRANS-JORDAN.

1. Good class Arab horses have been bred in Trans-Jordan in past history, especially in the Kerak district, which at one time was celebrated for its horses.

There is little doubt that in recent years the breeding of good class Arab horses has steadily declined, and from observations made during the last two years there are indications that it may die out altogether unless Government assistance and encouragement of a practical nature is given. This decline can be attributed to the indifference and poverty of the local Arab; the advent of the motor car; and the lack of a good market.

During the last two years the Trans-Jordan Frontier Force, which requires some 30–40 remounts per year, has made every endeavour to purchase their horses in Trans-Jordan. This has been done at the request of the British Resident, to encourage horse breeding and bring money into the country.

Forty-nine horses have been thus purchased at an average cost of £P.29, but the country has not been able to produce the full number required, and recourse has had to be made to purchases in Syria.

Without a census and a thorough survey throughout the country it is not possible to state figures and facts accurately, but from recent observations the opinion has been formed that there are still a considerable number of mares in the country of good quality fit for breeding, but that there is a serious shortage, if not an entire lack, of good sires. Barmakis (travelling stallion owners) do not come to Trans-Jordan. The Trans-Jordan Frontier Force buy the best stallions that can be found, which are castrated, and this to a certain extent deprives the country of the better sires.

2. The problem is—how to give practical assistance to horse breeding in Trans-Jordan without involving the Government in undue expenditure, the principal objects being—

(*a*) to improve the quality of country bred Arabs;

(*b*) to ensure that sufficient good quality Arabs are bred in Trans-Jordan to meet the requirements of the Trans-Jordan Frontier Force.

If the supply of suitable Arabs fails to meet the requirements of the Frontier Force there is no alternative at present but to resort to purchase in Syria, where the price is higher, and the additional cost of transport increases the cost by at least 20 per cent.

It would seem to be impracticable to expect the Trans-Jordan Government to do anything in this matter. It is however considered that the Trans-Jordan Frontier Force are in a particularly suitable position to do so, and the following proposals are submitted—

(*a*) that the O.C. T.J.F.F. be authorized to purchase 3 stallions at a cost not exceeding say £P.150 each.

These stallions can be borne and maintained within the present authorized establishment of horses of the Trans-Jordan Frontier Force, and no increase in establishment will be required.

They would be available as Chargers or Troop Horses in times of emergency.

(*b*) that these stallions be used to cover mares in Trans-Jordan selected and approved by the O.C. T.J.F.F.

It is considered that each stallion could cover about 40 mares per year or a total of about 120 mares.

(*c*) that the O.C. T.J.F.F. be authorized to purchase and maintain 8 selected yearlings or 2-year-old colts from Trans-Jordan.

A few of these colts might furnish future stallions. The remainder could be castrated and drafted as remounts for the Force on attaining the age of 3–4 years.

These yearlings could also be borne within the present establishment of the Force without any increase, since for various technical reasons the Force is never in practice able to maintain its full authorized establishment of horses (i.e., authorized establishment 494—normal working establishment maintained varies from 440–455).

The object of this is to help relieve the local inhabitant of the expense of keeping young horses during the years in which they are unable to work.

(*d*) that a small charge, say 250 mils, be made for each mare covered.

This charge is considered desirable owing to the fact that the local Arab is inclined to be suspicious of something offered for nothing.

3. *Finance.*—It is suggested that the cost of the above proposals be borne entirely by Trans-Jordan Frontier Force funds. Detailed estimates of this cost, both initial and recurrent, are shown in the attached Appendix " A ".

The initial cost is estimated at a maximum total of £P.1,430, and recurrent annual cost at £P.595.

All recurrent costs can be borne from normal savings in the present appropriate Votes without any increase.

The Senior and Assistant Veterinary Officers of the Force are fully qualified and capable of organizing and supervising this scheme in addition to their normal duties.

It is submitted that any additional costs which this scheme may involve will be repaid if this scheme should lead to an improvement both in the number and quality of Arab horses bred in Trans-Jordan. The Government would be saved the considerably higher price of remounts purchased in Syria, and Trans-Jordan may benefit—not only by supplying the whole of the Trans-Jordan Frontier Force requirements but by finding an export market to Palestine and Egypt of good quality Arabs.

APPROXIMATE TOTAL INITIAL AND RECURRING COSTS OF SCHEME.

A. *Initial Costs.*

	£P.
1. Purchase of 3 stallions at £P.150 each (*a*)	450
2. Purchase of 8 yearlings at £P.15 each (*b*)	120
3. Construction of 2 Kraals and Shelter Sheds for yearlings—1 at Zerka and 1 at Jisr el Mejamie—at £P.400 each	800
4. Initial issues of clothing, etc., for 3 additional soldiers i/c stallions	60
	£P.1,430

(*a*) This cost does not take into consideration that these 3 stallions will be available as Chargers or Troop Horses for service.

(*b*) Since yearlings will be of no value as remounts for 2 years (i.e., till reaching the age of 3½–4 years) it will be necessary to purchase 4 initially and 4 each subsequent year. After the second year 4 would be drafted each year as remounts (see B.6 below).

B. *Recurrent Costs.*

	£P.
1. Replacement of stallions assuming that each stallion works for 10 years and that the purchase price remains at a maximum of £P.150	45
2. Increase in establishment of 3 soldiers on the strength of the H.Qs. Veterinary Section to take charge of the stallions and supervise the yearlings (includes clothing, etc).	300
3. Annual cost of keep of 3 stallions and 8 yearlings at current prices and on present authorized forage scale	250
4. Allowances and travelling expenses in connexion with stallions whilst touring the districts	50
5. Maintenance of Kraals and Sheds	10
	655
6. Deduct saving in cost of drafting 4 yearlings (at £P.15) as remounts in lieu of 4 remounts at normal price, i.e., £P.30	60
	£P.595

Enclosure 3 in No. 63

Zerka, 20th August, 1935.

Subject:—Drainage System. Jordan Area.

I beg to report the unsatisfactory drainage system at present in use in all parts of the Jordan Area and to urge that immediate steps be taken to have this rectified and a new system installed. The system at present in use is on the principle of " percolating pits " for all stations in the Jordan Area. It is obvious if one studies the nature of the soil in this area that such a system can never be a success and it should never have been installed.

A brief survey of the existing state of the drainage system in each station will illustrate how inadequate and unhygienic the whole system is.

1. *Rosh Pina.*—The latrine drain and cesspool (percolating pit) is at present full of waste water and excreta. On several occasions I have seen this overflowing and the ground around polluted and foul smelling, while flies were swarming around the area.

The Canteen percolating pit is in exactly the same condition.

The old percolating pit in the L.Os.' quarters is filled with excreta which unless it is cleaned out will never get away, but always give a foul smell around these quarters. It is now used as the N.C.Os.' bathroom drain, but until cleaned out should not be used as such. It was recently extended and a further percolating pit put in at considerable expense. This is also full up with excreta.

2. *Beisan*.—The stable drains run into a percolating pit just outside the building. This is quite inadequate for twenty horses and has to be cleaned out every day or it would overflow the ground around. I understand it is meant in future to do the work for sixty horses—an impossibility.

The L.O's. house had a percolating pit which was of no use whatever. It was almost impossible to go near the place on account of the smell. At present a new and larger pit is being made at very considerable expense. This also in time will have to be replaced.

3. *Samakh*.—Here the situation is definitely better at present but again the system is wrong for the soil in the area.

I understand that nearly every year a considerable sum has to be spent in enlarging these useless and filthy percolating pits. This state of affairs is bound to continue and every year more pits will have to be made. It is obvious that this cannot go on. It is an ever present danger to everyone employed in the area and an outbreak of any serious disease such as typhoid, dysentery, and cholera in any of these stations would be impossible to control without evacuating the whole area under such conditions.

I therefore urge that a proper pipe drainage system with sewage farm similar to that in Ma'an be installed. The initial expense would be repaid by no annual current expenses, while the hygienic and sanitary conditions of the area would be up to very high standard and render this area one of the safest to live in.

J. T. Robinson, Major,
Senior Medical Officer,
Trans-Jordan Frontier Force.

The Commanding Officer,
Trans-Jordan Frontier Force.

Enclosure 4 in No. 63.

Zerka, 18th August, 1935.

Subject:—Hospital. Jordan Area.

I beg to submit a report on the present hospitalization conditions in the Jordan Valley and to urge that immediate consideration be given for the construction of a new and more up-to-date hospital. The present conditions are far from satisfactory and quite inadequate for the requirement of this area.

At present the building which goes by the name of hospital is in Jisr el Mejamie.

This building as far as its use as a hospital goes is a disgrace to the Force for the following reasons:—

(*a*) It is not hygienic, being badly ventilated, and it is always dark, being inadequately illuminated.

(*b*) Originally it was a forage barn and was never intended to be a hospital.

(*c*) It has no proper drainage system.

(*d*) There was no water supply for medical officers and soldiers in the hospital until recently, when a temporary but inadequate and primitive system was erected.

(*e*) There is no bathroom in the building. A bath is necessary in an area where climatic conditions increase perspiration and where temperature rises easily. It is quite impossible to keep patients clean and comfortable in bed for any length of time without having a bath.

(*f*) The building has no latrines. Those who are ill are expected to proceed to a latrine outside the hospital, and in wet weather to tramp through mud which is carried back to the ward on their feet. The latrine used is of a most primitive type and should be taken down.

(*g*) The bad accommodation is totally inadequate for the numbers with which the medical officers have to cope. On several of my inspections I have found the ward overcrowded with very ill patients—extra beds being put in. These patients were

too ill to be treated outside hospital. My medical officers informed me there were others to whom they had given " sick in quarters " whom they would have preferred to have under observation in hospital but the more serious cases had to be given preference.

There is no means of separating medical and surgical cases. This is a serious defect as in the event of non-septic surgical cases being admitted to a ward with say tonsilitis cases sepsis is certain to occur in the wound.

The medical inspection room in the building is very dark and stuffy. It is also much too small. It is impossible to carry out a proper and satisfactory examination of the eye in such a room. Also without the use of artificial light it is impossible to adequately examine the upper respiratory tract.

It does not even possess, nor could fit, a couch; no patient therefore can be examined in the lying position.

There is no proper dispensary. All dispensing has to be done in the room set aside as " Stores ". This room is overcrowded as it is, and to try to dispense mixtures containing perhaps dangerous drugs is not the most suitable arrangement to say the least about it. The dispensary ought to be a separate room entirely set aside as such.

A small operating room for minor surgical cases is essential in an area of this size.

In my opinion the locality of the hospital is unsatisfactory. The location of the hospital in Jisr el Mejamie camp where mosquito breeding is so prevalent and where the heat and humidity are relatively high seems unreasonable to me. I strongly recommend that the construction of the new hospital be in Samakh which is a more favourable place for the following reasons:—

(1) Samakh is a little higher than Jisr el Mejamie.
(2) The humidity and heat are less than in Jisr el Mejamie.
(3) It has a more pleasing outlook and therefore is a great asset to convalescing patients recovering sooner.
(4) It is more central to the whole area than Jisr el Mejamie.
(5) It has more facilities for transport, this being particularly so in winter.
(6) Its proximity to Samakh town renders it easier to procure ice, vegetables and milk at short notice for sick cases. This has not been possible in Jisr el Mejamie.
(7) There is no civilian practitioner nearer to Samakh at present than Jisr or Tiberias. In emergency cases, if the orderlies want a doctor they have to wait for help until one arrives from these places. On the other hand if the M.O. was in Samakh he would be available at once.

In Beisan, Jisr and Rosh Pina civilian practitioners are available for emergency cases.

I forward these remarks and recommendations for your kind consideration and action please.

J. T. Robinson, Major,
Senior Medical Officer,
Trans-Jordan Frontier Force.

The Commanding Officer,
Trans-Jordan Frontier Force.

Working Copy.

77030/36 [No. 2]. No. 64 PROOF.

COLONIAL OFFICE

to

TREASURY.

[*Answered by No.* ~~77030/36 [No. 1]~~. 65

SIR, Downing Street, 30th January, 1936.

With reference to the letter from this Department of the 25th November* regarding the Estimates of the Trans-Jordan Frontier Force for the year 1936–37, I am directed by Mr. Secretary Thomas to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a despatch† which has now been received from the High Commissioner for Trans-Jordan forwarding the detailed Estimates of the Force for the coming financial year.

2. Mr. Thomas has the following comments to make upon the draft Estimates.

HEAD XXI.

Items 73 and 110.—Furniture allowances and furniture for British Officers' Quarters.

The provision made in these items is required as a result of the new conditions of service which have been introduced for British officers. In paragraph 2 of the High Commissioner's despatch of the 7th June, 1935‡, a copy of which was forwarded to the Treasury in the letter from this Department of the 19th July, 1935§, he promised a further despatch on this subject. This despatch has not yet been received and it is therefore suggested that the provision under these two items should be approved on the understanding that the High Commissioner will be requested to furnish details of the new scheme for approval.

Items 101, 112 and 113.—Replacement of Mechanical Vehicles.—Vickers Guns and Bren Machine Guns.

Last summer the High Commissioner furnished detailed proposals for a reorganization of the mechanized companies of the Force. A copy of the High Commissioner's despatch of the 7th June, 1935‡, to which he makes reference, is enclosed. It will be seen from the comments under item 104 of the letter from this Department of the 29th January, 1935||, submitting the Estimates for 1935–36, that the programme for the replacement of mechanical vehicles has already been in operation for a period of two years. The programme forwarded with the High Commissioner's despatch of the 7th June merely revises in certain directions the general programme which has already been instituted. Mr. Thomas is addressing enquiries to the War Office regarding the ZGB guns for which provision is made under item 113. If these guns are not available during the coming financial year, the full provision will not be required, but in that event it will be necessary to replace the Hotchkiss guns by second hand Lewis guns. In view, however, of the likelihood that the provision made under item 8 of Head XXIX for the construction of a hospital in the Jordan Valley may prove to be considerably short of what is ultimately needed, the Secretary of State suggests that no reduction under this item should be made.

Item 116.

This item should be considered in conjunction with Item 8 of Head XXIX. Mr. Thomas considers that a fully adequate case is made out for the construction of a new hospital in the Jordan area. The High Commissioner reports that further consideration is being given to the site of the new hospital and the estimated cost. A further despatch will be received on this matter in due course, and it is suggested that approval should be given for the inclusion of these two items in the Estimates on the understanding that no expenditure will be incurred until the Secretary of State and the Lords Commissioners of the Treasury have given their approval to the detailed proposals.

Item 117.

This item should be considered in conjunction with items 10 and 16 of Head XXIX. Mr. Thomas agrees with the High Commissioner's proposals for initiating measures to improve the breed of Arab horses in Trans-Jordan, and he trusts that their Lordships will approve the provision which has been made.

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* No. 77030/35 [No. 6]: not printed. † No. ~~77030/36 [No. 1]~~. 63 ‡ No. ~~77104/35 [No. 12]~~. 73 in Middle East No. 55

§ No. ~~77104/35 [No. 16]~~. ‖ No. ~~37804/34 [No. 7]~~. ~~4 No. 26 in Middle East No. 51~~.

25 in Middle East No 55 → 18 in Middle East No. 55.

HEAD XXIX.

The High Commissioner's despatch of the 7th December, 1933, in which he outlined the programme for replacing temporary buildings by semi-permanent buildings, was enclosed in this Department's letter of the 15th January, 1934† (Estimates for 1934/35).

Item 7.—Reconstruction of Drainage Systems.

The Secretary of State considers that a strong case is made for the need for carrying out these works.

Item 8.—Hospital at Jisr el Mejamie. Items 10 and 16.—Kraal for Horse-breeding at Samakh and Stud Farm at Zerka.

In respect of these items attention is invited to the comments made under items 116 and 117 of Head XXI.

Item 11.—Construction of A.F.V. Range.

Reference is invited to Treasury letter No. S.35961/06/35 of the 8th August, 1935‡.

3. The Secretary of State has no further observations to make. All the items in the Estimates which call for comment are explained by the High Commissioner and Mr. Thomas is in agreement with the proposals which are made.

4. It will be seen that the expenditure provided for in the Estimates is as follows:—

	£P.
Recurrent Expenditure	182,362
Capital Works in Palestine	9,890
Capital Works in Trans-Jordan	10,075

The share of this expenditure which is chargeable to His Majesty's Government is therefore:—

	£P.
Three-fourths of the estimated recurrent expenditure	136,772
The whole of the estimated expenditure on capital works in Trans-Jordan	10,075
	£P.146,847

5. Mr. Thomas accordingly requests that, subject to the comments made under items 73, 110, 116 of Head XXI and item 8 of Head XXIX, their Lordships will be good enough to approve the Estimates and to provide the sum of £P.147,000 as the grant-in-aid of the Trans-Jordan Frontier Force in the Colonial and Middle Eastern Services Vote, 1936-37. Provision will also be needed in the Appropriation-in-Aid Subhead of the Vote of the sum of £P.900 in respect of rents for married quarters.

I am, &c.,

O. C. R. WILLIAMS.

‡ No. 77104/35 [No.17]. † No. 17730/33 [No. 5].

77030/36 [No. 17]. No. 65 PROOF.

Working Copy.

TREASURY

to

COLONIAL OFFICE.

[*Answered by No.* ———.]

(S. 35961/06/36.)

SIR, Treasury Chambers, 6th May, 1936.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Williams' letters of the 30th January* and 8th April† with the accompanying despatches‡ from the High Commissioner for Trans-Jordan on the subject of the Estimates for the Trans-Jordan Frontier Force for 1936-37.

2. In reply, I am to request you to inform Mr. Secretary Thomas that, subject to the observations below, My Lords approve the Estimates at the following totals:—

	£P.
Recurrent Expenditure	182,362
Capital Works in Palestine	9,890
Capital Works in Trans-Jordan	10,075.

3. *Head XXI. Items 73 and 110.—Furniture and Furniture Allowances for British Officers.*

Their Lordships' approval is given on the understanding that the High Commissioner will be requested to furnish details of the new scheme for approval.

Head XXI. Item 78.—Maintenance of Mechanical Transport.

My Lords have noted with satisfaction the economies in running and maintenance costs expected to result from the substitution of Commer for Crossley vehicles, but They would have expected, from the particulars given in the High Commissioners' despatch of the 7th June, 1935§, to see a larger reduction in the provision under Item 78, The amount there provided has been reconsidered by the High Commissioner, who remains of the opinion that a further reduction in the provision for 1936-37 cannot safely be made. In the circumstances, My Lords approve the provision of £8,500, but They trust that it will be possible to effect a greater reduction in 1937-38, when further experience will have been gained of the running of the new vehicles.

Head XXI. Item 112.—Vickers Guns and Mountings.

It had been suggested semi-officially that, instead of placing the existing Mark I guns in reserve and purchasing further Mark IVb guns, two of the existing Mark I guns should be adapted, but the High Commissioner, after further consideration, regards this course as impracticable. As a result of further enquiry, My Lords understand that the position is as follows. Mark I guns can be, and are, converted to Mark IVb, and indeed, if application were made for the supply of Mark IVb guns from Army resources, the guns supplied would be converted Mark I guns. As conversion costs about £80 a gun, the use of existing Mark I guns would be economical. Conversion however is a factory operation which could not be carried out locally, and there would be a certain risk that difficulties would arise if the guns were sent home and were found on arrival not to be fully serviceable and fit for conversion. In these circumstances My Lords will not press for the use of the existing guns.

Head XXI. Item 116, and Head XXIX, Item 8.

8. *Hospital at Jisr el Mejamie.*—Their Lordships' approval for the inclusion of these items is given on the understanding that no expenditure will be incurred until the Secretary of State and Their Lordships have approved the detailed proposals.

I am, &c.,

J. A. BARLOW.

* No. ~~77030/36 [No. 2]~~. 64 † No. 77030/36 [No. 15]: not printed.

‡ No. 77030/36 [No. 1 and 14]; [No. 14]: not printed. § No. ~~77104/35 [No. 12]~~.

Working Copy.

77030/36 [No. 19]. No. 66 PROOF.

TRANS-JORDAN.

THE SECRETARY OF STATE

to

THE HIGH COMMISSIONER.

(Secret.)

SIR,

Downing Street, 15th May, 1936.

I have the honour to refer to your secret despatch of the 9th of January* forwarding the detailed Estimates of the Trans-Jordan Frontier Force for the financial year 1936-37, and to inform you that, subject to the comments made in the following paragraphs, I approve the Estimates.

2. *Head XXI. Items 73 and 110.—Furniture and Furniture Allowances for British Officers.*

In paragraph 2 of your secret despatch of the 7th June, 1935†, you promised a further despatch on this subject. This despatch has not yet been received, and, while I sanction the inclusion of these two items in the Estimates, I shall be obliged if you will furnish as soon as possible details of the new scheme for my approval.

3. *Head XXI. Item 78.—Maintenance of Mechanical Transport.*

I note from the information given in your secret despatch of the 21st of March‡ that you are unable to recommend any reduction of the sum of £P.8,500 provided under this item in respect of the current financial year. In the circumstances, I approve the provision of £P.8,500, but I trust that it will be possible to effect a greater reduction in 1937-38, when further experience will have been gained of the running of the new vehicles.

4. *Head XXI. Item 112.—Vickers Guns and Mountings.*

It is noted from paragraph 4 of your secret despatch of the 21st of March that you do not regard it as practicable to convert the Vickers Mark I guns into Vickers Mark IV_b guns. It is understood that the position is as follows. Mark I guns can be, and are, converted to Mark IV_b, and indeed, if application were made for the supply of Mark IV_b guns from Army resources, the guns supplied would be converted Mark I guns. As conversion costs about £80 a gun, the use of existing Mark I guns would be economical. Conversion, however, is a factory operation which could not be carried out locally, and there would be a certain risk that difficulties would arise if the guns were sent home and were found on arrival not to be fully serviceable and fit for conversion. In these circumstances it is not proposed to press for the use of the existing guns, and I approve the provision of £900 under this item for the purchase of two new Vickers Mark IV_b guns.

5. *Head XXI, Item 116; and Head XXIX, Item 8.—Hospital at Jisr el Mejamie.*

I note that consideration is being given to the question of the construction of a new hospital for the Jordan area, and that you are examining the position further before forwarding your final conclusions on the matter. Approval of the provision made under these two items is therefore given on the understanding that no expenditure will be incurred until the final scheme has been referred to me for consideration.

6. *Head XXI. Item 113.—Bren Machine Guns.*

You have agreed in your secret despatch of the 11th of April§ that no provision need be made under this item in respect of the current financial year. In view, however, of the fact that a sum considerably in excess of that provided may be required under item 8 of Head XXIX in respect of the construction of a new hospital in the Jordan area, I have not thought it advisable to make any reduction in the total of the Estimates.

7. I therefore approve the Estimates at the following totals:—

	£P.
Recurrent Expenditure	182,362
Capital Works in Palestine	9,890
Capital Works in Trans-Jordan	10,075

The share of this expenditure which is chargeable to His Majesty's Government is therefore:—

	£P.
Three-fourths of the estimated recurrent expenditure	136,772
The whole estimated expenditure on capital works in Trans-Jordan	10,075
	146,847

23 in Middle East No 55.

No. ~~77030/36 [No. 1]~~. 63 † No. ~~77101/35 [No. 12]~~. ‡ No. 77104/36 [No. 14]: not printed.
§ No. 77030/36 [No. 16]: not printed.

8. Provision has accordingly been made in the Vote for Colonial and Middle Eastern Services, 1936-37, for the sum of £P.147,000 as the grant-in-aid of the Trans-Jordan Frontier Force.

9. Provision has also been made under the Appropriation-in-Aid Sub-head of the Vote for the receipt of the sum of £P.900 in respect of rents for married quarters.

I have, &c.,

J. H. THOMAS.